

रजिस्टर्ड नं० पो० 97.



# राजपत्र, हिमाचल प्रदेश

हिमाचल प्रदेश राज्यशासन द्वारा प्रकाशित

खण्ड 19]

शुक्रवा, शनिवार, 27 फरवरी, 1971/8 फाल्गुन, 1892

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27 फरवरी, 1971/8 फाल्गुन, 1892 को समाप्त होने वाले सप्ताह में निम्नलिखित विज्ञप्तियां 'असाधारण राजपत्र, हिमाचल प्रदेश' में प्रकाशित हुईं :—

विज्ञप्ति की संख्या	विभाग का नाम	विषय
No. 14-7/66-Homc, dated the 13th August, 1970.	Home Department	Authorising the carrying out of field firing and artillery practice by Army authorities throughout the notified area in Kangra district.
No. 6-3/69-LR, dated the 8th February, 1971.	Law Department	The Himachal Pradesh Armed Bands (Arrest and Detention) Act, 1969 (Act No. 1 of 1971).

## भाग 1--बंधनिक नियमों को छोड़ कर हिमाचल प्रदेश के राज्यपाल और हिमाचल प्रदेश हाई कोर्ट द्वारा अधिसूचनाएं इत्यादि

### हिमाचल प्रदेश सरकार

#### DEPARTMENT OF PERSONNEL (APPOINTMENT) NOTIFICATIONS

Simla-2, the 8th February, 1971

No. 3-3/69-Appnt.(I). The Governor, Himachal Pradesh, is pleased to accord sanction to the grant of 13 days earned leave with effect from 22nd February, 1971 to 6th March, 1971 in favour of Shri R. V. Gupta, I.A.S., Registrar, Co-operative Societies, Himachal Pradesh, with permission to prefix and suffix gazetted holidays falling on 21st February, 1971 and 7th March, 1971, respectively, subject to verification of title to leave.

2. Certified that Shri R. V. Gupta, would have continued to officiate against the post of Registrar, Co-operative Societies, Himachal Pradesh, but for his proceeding of 13 days leave as mentioned above.

3. Certified that Shri R. V. Gupta, will return to duty to the station from where he proceeds on leave.

4. The Governor is further pleased to order that during the absence on leave of Shri R. V. Gupta, Shri Swarupa Nand, Deputy Registrar, Co-operative Societies, Himachal Pradesh, shall hold the charge of the post of the Registrar, Co-operative Societies-cum-Director of Civil Supplies in addition to his own duties.

Simla-2, the 11th February, 1971

No. 3-329/59-Appnt.—The Governor, Himachal Pradesh is pleased to accord *ex-post-facto* sanction to the grant of 47 days earned leave with effect from 14-12-1970 to 29-1-1971 in favour of Shri Sohan Lal, a member of Himachal Pradesh Administrative Service, presently posted as Magistrate 1st Class-cum-General Assistant, Chamba with permission to prefix Second Saturday and Sunday falling on 12th and 13th December, 1970.

2. Certified that Shri Sohan Lal would have continued to officiate against the post of G.A., Chamba but for his proceeding on leave referred to above.

3. Certified that not later than the time, the Governor, Himachal Pradesh formally sanctioned the leave, he then intended to repost Shri Sohan Lal, to the same post from which he proceeded on leave.

4. This supersedes this Department Office Order of even number, dated the 16th December, 1970.

HARSH GUPTA,  
Joint Secretary.

Simla-2, the 11th February, 1971

No. 1-8/70-Appnt.—The Governor, Himachal Pradesh, is pleased to order the following transfers and postings with immediate effect:—

1. Shri J. C. Dutta, Land Acquisition Officer, Simla, is transferred and posted as Land Acquisition Officer, Beas Project, Talwara Township (vacant post); and

2. Shri Jai Chand, Magistrate 1st Class, Mandi, is transferred and posted as Land Acquisition Officer, Beas Project, Talwara Township (vacant post).

2. The Governor is further pleased to order that Shri B. R. Lakhanpal, Magistrate 1st Class, Simla and Shri C. L. Thakur, Compensation Officer, Mandi, shall hold the additional charge of the post of Land Acquisition Officer, Simla and Magistrate 1st Class, Mandi, respectively, in addition to their own duties.

B. C. NEGI,  
Secretary.

#### AGRICULTURE DEPARTMENT NOTIFICATION

Simla-4, the 24th January, 1971

No. 42-4/69-Agr. Sectt.—In partial modification of this Government notification of even number, dated the 11th November, 1969, the Lieutenant Governor (Administrator), Himachal Pradesh, is pleased to withdraw land acquisition proceedings in respect of the land in the locality described below in the specification which was intended to be acquired for the Indian Council of Agricultural Research for the Plant Introduction Sub-Station at Phagli, Simla.

#### SPECIFICATION

District: SIMLA		Tehsil: SIMLA
Village	Khasra Nos.	Area Big. Bis.
PHAGLI	133, 134, 135, 138, 139 and 140	5 15
	147, 148, 149, 168, 230/170/1 and 230/170/2.	4 9
	230/170/3	5 10
	171, 231/170	9 0
	One half of Khasra Nos. 160, 161, 162, 163 and 228/167.	5 19
Total area of land		30 13

P. K. MATTOO,  
Secretary.

#### REVENUE DEPARTMENT NOTIFICATION

Simla-2, the 4th February, 1971

No. 6-4/71 (Rev-1).—In exercise of the powers conferred by section 13 (1A)/3 (1) (a)/3 (1) b (i) of the East Punjab War Awards Act, 1948 read with the Government of India, Ministry of Home Affairs, notification No. S.O. 3370, dated the 1st November, 1966 the Governor, Himachal Pradesh is pleased to make a grant of War Jagirs of the annual value of Rs. 100.00 each (Rupees one hundred) only in favour of the undermentioned persons as award for war services rendered by their respective sons/sons subject to such conditions as to its enjoyment as are contained in their respective sanads of the Jagir granted to them in this behalf:—

Serial No.	No. of sons in Armed Forces	Name/parentage of the grantee	Particulars about residence	Annual amount of War Jagir effective
			Village, Tehsil, District Kangra	Rabi/Kharif
1.	One	Shrimari Naro Devi wd/o Shri Kirpa Ram.	Bhali, Nurpur	Rs. 100 P.A. (Kharif, 1965).
2.	One	Shri Punjab Singh s/o Shri Gulab Singh.	Makroli, Nurpur	Rs. 100 P.A. (Rabi, 1966).

S. R. MAHANTAN,  
Deputy Secretary.

## भाग 2--बंधनिक नियमों को छोड़ कर विभिन्न विभागों के अध्यक्षों और जिला मैजिस्ट्रेटों द्वारा अधिसूचनाएं इत्यादि

#### CO-OPERATIVE DEPARTMENT ORDER

Simla-4, the 11th February, 1971

No. 10-346/68-Co-op.—In continuation of this office order of even number, dated 10-4-1970, I, V. K. Agnihotri, Deputy Registrar (Marketing), Co-operative Societies, Himachal Pradesh, Simla-4 and in exercising of the powers of the R.C.S. delegated to me vide notification No. 5-5/69-Co-op.(S), dated 8-8-1969 by the Secretary

(Co-operative) to the Government of Himachal Pradesh do hereby extend the period of finalization of liquidation proceedings of the Sarahan S/P Co-operative Society Ltd., Sarahan upto 30-6-1971, under rule 124 of the Himachal Pradesh Co-operative Societies Rules, 1960.

V. K. AGNIHOTRI,  
Deputy Registrar (Marketing), Simla.

# INDUSTRIES DEPARTMENT

## FORM 'H'

### DECLARATION UNDER SECTION 24 OF THE ACT

*Bilaspur, the 21st January, 1971*

**No. UB(Loan)(Sanct)/69-5705.**—Whereas a notice was served on Shri Hussain Beg s/o Shri Mamdin, Daira Sector No. 1, H. No. 222, Bilaspur, on the 16th May, 1969, under section 23 of the Punjab State Aid to Industries (H.P. Amendment) Act, 1964, calling upon the said Shri Hussain Beg, to pay to me the sum of Rs. 1631.09 on or before 31-5-1969; and whereas the said sum has not been paid, I hereby declare that the sum of Rs. 1366.68 as principal plus interest Rs. 660.00 upto 21-2-1970 and further interest will be charged till the date of payment due from the said Shri Hussain Beg, and that the property described in the attached schedule is liable for the satisfaction of the said debt.

## SCHEDULE

House-cum-shop of loanee standing at Plot No. 38, Daira Sector No. 1, N.B.T. Bilaspur, costing Rs. 7,200.

Sd/-

*Assistant District Industries Officer, Bilaspur.*

## FORM 'H'

### DECLARATION UNDER SECTION 24 OF THE ACT

*Bilaspur, the 21st January, 1971*

**No. UB(Loan)(Sanct)/69-5710.**—Whereas a notice was served on Shri Dittu Ram s/o Shri Sarju Ram, Village Chhakoh, Post Office Soldha, District Bilaspur on the 28th September, 1970, under section 23 of the Punjab State Aid to Industries (H.P. Amendment) Act, 1964, calling upon the said Dittu Ram to pay to me the sum of Rs. 1503.34 on or before 31-10-1970; and whereas the said sum has not been paid, I hereby declare that the sum of Rs. 1333.34 as principal plus interest Rs. 170 upto 6-3-1970 and further interest will be charged till the date of payment is due from the said Shri Dittu Ram and that the property described in the attached schedule is liable for the satisfaction of the said debt.

## SCHEDULE

House double storeyed consisting 6 rooms and one verandah standing on land comprising at Khasra No. 697 situate at Village Chhakoh, Post Office Solda, District Bilaspur.

Sd/-

*Assistant District Industries Officer, Bilaspur.*

## FORM 'H'

### DECLARATION UNDER SECTION 24 OF THE ACT

*Nahan, the 9th February, 1971*

**No. Ind.SMR(Loan)197/67-3871-3.**—WHEREAS a notice was served on Shri Mohan Singh s/o Shri Man Singh, Rajgarh, Tehsil Pachhad, District Sirmur (Himachal Pradesh) on 21-9-1970 under section 23 of the Punjab State Aid to Industries (H.P. Amendment) Act, 1964 calling upon the said Shri Mohan Singh to pay to me the sum of Rs. 808.36 with interest up-to-date on or before 31-7-1970; and whereas the said sum has not been paid, I hereby declare that the sum of Rs. 5,000 along with interest due thereon up-to-date is due from the said Shri Mohan Singh and that the property described in the attached Schedule is liable for the satisfaction of the said debt.

## SCHEDULE

The land comprised Khasra Nos. 283/213, 413/231/2, 416/248/1, 52/248/2-3 Kite measuring 17.0 of 1/2 share, village Kulth and 1/8 share of No. 184, 205 min, 291 min, 211, 228 min, 208, 219, 238 min, 203 min, 331/241 min, 294-313 min, 207, 300 min, Kitas 13 measuring 28-2, Tehsil Pachhad, District Sirmur and belonging to Shri Mohan Singh s/o Shri Man Singh of village Talia.

R. N. GUPTA,

*District Industries Officer Nahan.*

# PUBLIC WORKS DEPARTMENT

## NOTIFICATIONS

Whereas it appears to the Lieutenant Governor, Himachal Pradesh that the land is required to be taken by the Government at public expense for a public purpose\*. It is hereby declared that the land described in the specification below is required for the said\* purpose.

2. This declaration is made under the provisions of section 6 of the Land Acquisition Act, 1894, to all whom it may concern and under the provisions of section 7 of the said Act, the Collector, Land Acquisition, Himachal Pradesh P.W.D., is hereby directed to take order for the acquisition of the said land.

3. A plan of the land may be inspected in the office of the Collector, Land Acquisition, Himachal Pradesh P.W.D., Simla-9.

**No. SE-II-R-54/XI-20242-46. Simla-3, the 23rd January, 1971**

*\*Construction of Nirmand-Arsu Road*

## SPECIFICATION

*District: KULU*

*Tehsil: NIRMAND*

Village 1	Khasra No. 2	Area Big. Bis. 3
PHATTI THAWAR	719/1	0 4
	914/1	0 7
	989/1	1 2
	1207/1	0 15
	994/1	1 2
	1645/1	0 9
	1044/1	0 7
	993/1	0 8
	1046/1	0 1
	108/1	0 18
	718/1	1 3
	1218/1	0 4
	1220/1	1 3
	1217/1	1 6
	1043/1	0 2
	1216/1	0 10
	1215/1	1 0
	793/1	0 16
	988/1	1 3
	794/1	0 7
	1212/1	0 14
	1082/1	0 19
	999/1	0 5
	965/1	0 6
	1000/1	0 7
	926/1	0 7
	928/1	1 4
	929/1	0 9
	932/1	0 18
	995/1	1 5
	461/1	2 3
	693/1	0 13
	693/2	0 2
	452/1	0 9
	1214/1	0 3
	420/1	0 1
	882/1	0 6
	917/1	0 2
	931/1	0 7
	933/1	0 5
	969/1	1 1
	1206/1	0 1
	964/1	0 8
	970/1	0 15
Total		26 17

**No. SE-II-R-54/XI-20237-41.**

**Simla-3, the 23rd January, 1971**

**PHATTI NISHANI**

1399/1	0 4
1793/1	0 4
1366/1	0 10
1388/1	1 7
1392/1	0 6
1815/1	0 8
1798/1	0 1
1367/1	0 11
1393/1	0 1
1793/1	1 12
1796/1	0 3
1786/1	0 14

1	2	3	4
	1816/1	0	7
	1787/1	0	8
	1766/1	0	10
	1766/2	0	2
	1788/1	0	6
	1786/1	0	2
	1787/1	0	16
	1767/1	1	1
	1792/1	0	9
	1778/1	0	4
	Total	10	6

No. SE-II-R-54/XII-2022-31. Simla-3, the 23rd January, 1971

FATI-SHOCK KOTI DHAUL	704/1	1	0
	718/1	0	11
	1568/785/1	0	18
	896/1	0	18
	797/1	0	19
	713/1	3	2
	701/1	2	9
	703/1	0	6
	698/1	3	2
	805/1	1	6
	1569/785/1	0	17
	777/1	1	17
	788/1	1	1
	945/1	1	6
	801/1	2	8
	709/1	1	3
	798/1	1	5
	802/1	0	2
	944/1	1	11
	Total	26	1

No. SE-II-R-54/XI-20227-31. Simla-3, the 23rd January, 1971

PHATTI ARSU	1460/781/1	0	4
	1459/781/1	0	8
	861/1	0	16
	875/1	1	5
	775	1	10
	880/1	1	10
	885/1	0	6
	886/1	1	15
	776/1	0	13
	776/2	0	14
	872/1	2	5
	780	1	9
	Total	12	15

Sd/-  
Superintending Engineer, 2nd Circle,  
Himachal Pradesh Public Works Department.

#### CORRIGENDUM

Mandi, the 3rd February, 1971

No. SE-I-R-25-45/69-I-3271-74.—Notification No. SE-I-R-25-45/69-6974-78, dated 13-3-1969 published in the Rajpatra on 29-12-1969 is hereby cancelled except for Khasra Nos. 610, 611, 622, 613, 614, 616, 617, 618, 891, 892 and 893 mentioned therein for which the notification will remain in force.

M. L. BANSAL,  
Superintending Engineer, 1st Circle,  
Himachal Pradesh Public Works Department, Mandi.

#### NOTIFICATIONS

Whereas it appears to the Governor, Himachal Pradesh that the land is required to be taken by the Government, at public expense for a public purpose\*, it is hereby declared that the land described in the specification below is required for the said\* purpose.

The declaration is made under the provision of section 6 of the Land Acquisition Act, 1894 to all whom it may concern and under the provision of section 7 of the said Act, the Collector, Land Acquisition, Himachal Pradesh Public Works Department is hereby directed to take order for the acquisition of the said land.

A plan of the land may be inspected in the office of the Collector, and Acquisition, Himachal Pradesh Public Works Department, Simla.

No. SE-II-R-54/X-21310-13. Simla-3, the 3rd February, 1971.  
\*Construction of Kharapather-Mandhol Road.

District: MAHASU Tehsil: JUBBAL

Village	Khasra No.	Area Big. Bis.
MANDHOL	1579/16/1	0 5
	1798/203/1	0 8
	1796/203/1	0 8
	626/1	0 5
	626/2	0 6
	629/1	0 <1
	624/1	0 2
	10/1/1	6 3
	2277/203/1	4 11
	2277/203/2	1 0
	2277/203/3	5 0
	2273/1492/1	2 2
	2273/1492/2	0 5
	Total	20 16

No. SE-III-R-54/XI-20782-3380 Simla-3, the 2nd January, 1971

DEEM	2102/74/1	2 8
	2102/88/1	2 14
	2102/56/1-2-3/1	3 10
	2102/92/2/1	0 1
	2102/92/2/2	1 4
	2102/92/2/3	1 0
	2102/46-49/1	1 3
	2102/7/1/1	2 7
	2102/7/1/2	2 14
	2102/87/2/1	1 14
	Total	18 15

Simla-3, the 3rd February, 1971

No. SE-II-R-54/21314-20.—Whereas it appears to the Governor, Himachal Pradesh that land is likely to be required to be taken by the Himachal Pradesh Government at the public purpose, namely for construction of Sanjauli-Shogi Road. It is hereby notified that land in the locality described below is likely to be acquired for the above purpose.

This notification is made under the provision of section 4 of the Land Acquisition Act, 1894 to all whom it may concern.

In exercise of the powers conferred by the aforesaid section the Governor, Himachal Pradesh is pleased to authorise the officers for the time being engaged in the undertaking with their servants and workmen to enter upon and survey any land in the locality and do all other acts required or permitted by that section.

Any person interested, who has any objection to the acquisition of the said land in the locality may, within thirty days of the publication of this notification, file an objection in writing before the Collector of Mahasu, Bilaspur, Mandi, and Sirmur districts, Himachal Pradesh Public Works Department, Simla.

District: MAHASU Tehsil: KASUMPTI

Village	Khasra No.	Area Big. Bis.
PATTI RIHANA	142/1	0 1
	143/1	0 0
	1985/760	0 14
	1937/821/1	0 1
	761/1	0 3
	1939/822	0 2
	771/1	0 18
	778/1	0 1
	763/1	0 2
	1929/745/1	1 1
	146/1	0 0
	757/2	0 5
	758/2	0 4
	759/2	0 3
	755/2	0 4
	144/1	0 0
	Total	4 19

Sd/-  
Superintending Engineer,  
2nd Circle, H.P.P.W.D.,  
Simla-3.

**भाग 3—अधिनियम, विधेयक और विधेयकों पर प्रवर समिति के प्रतिवेदन, वैधानिक नियम तथा हिमाचल प्रदेश के राज्यपाल, हिमाचल प्रदेश हाई कोर्ट, फाइनेन्शियल कमिश्नर तथा कमिश्नर आफ इन्कम-टैक्स द्वारा अधिसूचित आदेश इत्यादि**

**AGRICULTURE DEPARTMENT  
NOTIFICATIONS**

*Simla-4, the 22nd January, 1971*

**No. 22-5/70-Agr. (Sectt.).**—Whereas the Land Development Board, Himachal Pradesh has prepared the Land Development Schemes, under section 4 of the Himachal Pradesh Land Development Act, 1954, in respect of the areas given against each scheme indicated below;

And whereas all the persons affected by the said schemes and also the Gram Panchayat/Panchayats concerned have consented to the execution of these schemes;

And whereas the State Government keeping in view the consents of the persons aforesaid and after consulting the Board has sanctioned the schemes under section 5(2) of the said Act;

Now, therefore, the schemes sanctioned by the State Government under section 5(2) are hereby published in the Rajpatra, Himachal Pradesh for the information of all concerned as required by section 6 of the said Act and it shall come into force immediately:—

Serial No.	Scheme No.	Name of the beneficiary	Resident of village, Panchayat of Districts Mandi and Sirmur	Area to be covered (in Acres)
1	2	3	4	5
1.	JNR-S-200/MDI	Shri Bhikham Ram	Katipari, Dalah, Mandi	1.29
2.	PNT-44/67	Shri Santa Singh	Behral, Bhadripur, Sirmur	5.75
3.	PNT-43/67	Shri Pritam Singh	Behral, Bhadripur, Sirmur	12.44
4.	PNT-73/67	Shri Madhu Ram	Rampur, Kolar, Sirmur	5.13
5.	PNT-70/67	Shri Joti	Surajpur, Puruwala, Sirmur.	3.02
6.	PNT-71/67	Shri Sadhu Ram	Klady, Majra, Sirmur	15.20
7.	PNT-69/67	Shri Tara Singh	Santokhgarh, Puruwala, Sirmur	7.45
8.	PNT-68/67	Shri Harnam Singh	Santokhgarh, Puruwala, Sirmur	3.57
9.	PNT-67/67	Shri Santa, etc.	Sainwala, Magra, Sirmur	1.75
10.	PNT-51/67	Shri Rattan Singh	Shamsherpur, Badripur, Sirmur	0.62
11.	PNT-87/67	Shri Prasanna Singh	Bhadripur, Paonta, Sirmur	23.86
12.	PNT-86/67	Shri Prabhu	Dhaulakuan, Khular, Sirmur	5.28
13.	PNT-65/67	Shri Balkoo	Sainwala, Majra, Sirmur	2.07
14.	PNT-66/67	Shri Lahu	Siowala	3.48
15.	PNT-49/67	Shri Agia Ram	Shamsherpur, Bhadripur, Sirmur	1.37

*Simla-4, the 22nd January, 1971*

**No. 22-5/70-Agr. (Sectt.).**—Whereas the Land Development Board, Himachal Pradesh has prepared the Land Development Schemes, under section 4 of the Himachal Pradesh Land Development Act, 1954 in respect of the areas given against each scheme indicated below;

And whereas all the persons affected by the said schemes and also the Gram Panchayat/Panchayats concerned have consented to the execution of these schemes;

And whereas the State Government keeping in view the consents of the persons aforesaid and after consulting the Board has sanctioned the schemes under section 5(2) of the said Act;

Now, therefore, the schemes sanctioned by the State Government under section 5(2) are hereby published in the Rajpatra, Himachal Pradesh for the information of all concerned as required by section 6 of the said Act and it shall come into force immediately:—

Serial No.	Scheme No.	Name of the beneficiary	Resident of village, Panchayat of District Mandi	Area to be covered (in Acres)
1	2	3	4	5
1.	JNR-S-425/MDI	Shri Bhim Sain	Uprli Gragal, Panjalag	1.35
2.	JNR-S-426/MDI	Shri Kali Dass, etc.	Soan, Pirh	1.72
3.	JNR-S-423/MDI	Shri Mani Ram, etc.	Soan, Pirh	1.98
4.	JNR-S-430/MDI	Shri Sher Singh	Petu, Bhararu	0.44
5.	JNR-S-432/MDI	Shri Tulsi Ram	Makrari, Kuthera	1.44

1	2	3	4	5
6.	JNR-S-435/MDI	Shri Bhagat Ram, etc.	Mari, Dalah	0.90
7.	JNR-S-437/MDI	Shri Khema Ram	Jhaned, Dhunda	1.99
8.	JNR-S-439/MDI	Shri Devi Saran	Ropa, Dhunda	1.11
9.	JNR-S-441/MDI	Shri Maya Dass	Tulah, Tulah	1.55
10.	JNR-S-424/MDI	Shri Khan Chand	Panjalag, Panjalag	0.97
11.	JNR-S-383/MDI	Shri Prem Singh	Delerh, Pihar	0.95
12.	JNR-S-384/MDI	Shri Dagu Ram	Makrari, Kuthera	0.62
13.	JNR-S-386/MDI	Shri Salig Ram	Tikru, Chauntra	0.95
14.	JNR-S-387/MDI	Shri Chuni Lal	Jhalwan, Jeetpur	1.00
15.	JNR-S-389/MDI	Shri Sham Singh	Drahl, Kuthera	0.98

*Simla-4, the 22nd January, 1971*

No. 22-5 70-Agr. (Sectt.).—Whereas the Land Development Board, Himachal Pradesh has prepared the Land Development Schemes, under section 4 of the Himachal Pradesh Land Development Act, 1954, in respect of the areas given against each scheme indicated below;

And whereas all the persons affected by the said schemes and also the Gram Panchayat/Panchayats concerned have consented to the execution of these schemes;

And whereas the State Government keeping in view the consents of the persons aforesaid and after consulting the Board has sanctioned the schemes under section 5(2) of the said Act;

Now, therefore, the schemes sanctioned by the State Government under section 5(2) are hereby published in the Rajpatra, Himachal Pradesh for the information of all concerned as required by section 6 of the said Act and it shall come into force immediately:—

Serial No.	Scheme No.	Name of the beneficiary	Resident of village, Panchayat of District Mandi	Area to be covered (in Acres)
1.	JNR-S-294/MDI	Shri Prem Chand	Salahna, Pali	0.69
2.	JNR-S-293/MDI	Shri Jai Ram	Narla, Pali	0.71
3.	JNR-S-301/MDI	Shri Birbal	Bhogi, Pali	0.87
4.	JNR-S-302/MDI	Shri Lohar	Mana, Pali	3.20
5.	JNR-S-303/MDI	Shri Sawanu & Bros.	Chelli, Pali	1.47
6.	JNR-S-303/MDI	Shri Sawanu & Bros.	Chelli, Pali	1.70
7.	JNR-S-303/MDI	Shri Sawanu & Bros.	Chelli, Pali	1.64
8.	JNR-S-304/MDI	Shri Shesh Ram and Dayalu	Pali, Pali	1.96
9.	JNR-S-321/MDI	Shri Jaswant Singh	Sarohli, Ahju	0.97
10.	JNR-S-321-A/MDI	Shri Jaswant Singh	Sarohli, Ahju	1.38
11.	JNR-S-322/MDI	Shri Gian Singh, etc.	Garoru, Garoru	0.69
12.	JNR-S-323/MDI	Shri Vijay Ram	Paloon, Jeetpur	2.12
13.	JNR-S-312/MDI	Shri Gayarhu Ram	Tikri, Dhunda	1.48
14.	JNR-S-312-A/MDI	Shri Gayarhu Ram	Tikri, Dhunda	0.87
15.	JNR-S-253/MDI	Shri Leshar Ram	Chelli, Pali	5.04
16.	JNR-S-252/MDI	Shri Mohla	Ktipari, Urla	0.94

*Simla-4, the 22nd January, 1971*

No. 22-5 70-Agr. (Sectt.).—Whereas the Land Development Board, Himachal Pradesh has prepared the Land Development Schemes, under section 4 of the Himachal Pradesh Land Development Act, 1954, in respect of the areas given against each scheme indicated below;

And whereas all the persons affected by the said Schemes and also the Gram Panchayat/Panchayats concerned have consented to the execution of these schemes;

And whereas the State Government keeping in view the consents of the persons aforesaid and after consulting the Board has sanctioned the schemes under section 5(2) of the said Act;

Now, therefore, the schemes sanctioned by the State Government under section 5(2) are hereby published in the Rajpatra, Himachal Pradesh for the information of all concerned as required by section 6 of the said Act and it shall come into force immediately:—

Serial No.	Scheme No.	Name of the beneficiary	Resident of village, Panchayat of District Mandi	Area to be covered (in Acres)
1	2	3	4	5
1.	JNR-S-412/MDI	Shri Bhuroo	Katipri, Dalah	0.95
2.	JNR-S-417/MDI	Shri Atma Ram	Pipli, Pali	1.60

1	2	3	4	5
3.	JNR-S-414/MDI	Shrimati Banti Devi	Pali, Pali	1.01
4.	JNR-S-395/MDI	Shri Sidhu Ram	Machhalu, Jeetpur	0.80
5.	JNR-S-397/MDI	Shri Tegu Ram	Bhariara, Kuthera	0.86
6.	JNR-S-396/MDI	Shri Parma	Chandeni, Chauntra	0.86
7.	JNR-S-398/MDI	Shri Shiv Ram & Bros.	Dhedhag, Bharol	1.25
8.	JNR-S-399/MDI	Shri Sukh Dev Sharma	Makorari, Jeetpur	0.40
9.	JNR-S-403/MDI	Shri Moti Ram	Katipari, Dalah	0.52
10.	JNR-S-404/MDI	Shri Jai Ram	Padhwan, Padher	1.34
11.	JNR-S-405/MDI	Shri Nokhu Ram	Barjha, Dhundhe	1.67
12.	JNR-S-406/MDI	Shri Birstu Ram	Katpari, Dalah	1.19
12.	JNR-S-376/MDI	Shri Magha	Sukabagh, Ahju	0.38
14.	JNR-S-377/MDI	Shri Guria Ram	Drahl, Kuthera	0.54

Simla-4, the 30th January, 1971

No. 22-5/70-Agr. Sectt.—Whereas the Land Development Board, Himachal Pradesh, has prepared the Land Development Schemes, under section 4 of the Himachal Pradesh Land Development Act, 1954 in respect of the areas given against each scheme indicated below;

And whereas all the persons affected by the said schemes and also the Gram Panchayat/Panchayats concerned have consented to the execution of these schemes;

And whereas the State Government keeping in view the consents of the persons aforesaid and after consulting the Board has sanctioned the schemes under section 5(2) of the said Act;

Now, therefore, the schemes sanctioned by the State Government under section 5(2) are hereby published in the Rajpatra, Himachal Pradesh for the information of all concerned as required by section 6 of the said Act and it shall come into force immediately:—

Sl. No.	Scheme No.	Name of the beneficiary	Resident of Village, Panchayat of District Mandi	Area to be covered in acres
1	2	3	4	5
1.	JNR-S-236/MDI	Shri Khima Nand etc.	Janed, Dhunda,	5.25
2.	JNR-S-354/MDI	Shri Ranjit Singh	Phagla, Panjalag.	2.81
3.	JNR-S-357/MDI	Shri Saran Singh	Khadder, Khadder	2.15
4.	JNR-S-233/MDI	Shri Bhagat Ram and brothers.	Kalmana, Dalah	1.76
5.	JNR-S-370/MDI	Shri Amar Singh etc.	Sarli, Chantra	7.08
6.	JNR-S-369/MDI	Shri Ram Krishan	Lakrehr, Ladruhin.	2.17
7.	JNR-S-347/MDI	Shri Sher Singh	Gaduhi, Bhararu,	0.66
8.	JNR-S-348/MDI	Shri Gur Singh	Raja, Ahuju	1.23
9.	JNR-S-349/MDI	Shri Gur Singh and Brothers.	Sagnehr, Ahuju	1.36
10.	JNR-S-361/MDI	Shri Chuhru Ram	Masoli, Masoli	0.58
11.	JNR-S-360/MDI	Shri Singh	Majharnoo, Jeetpur.	1.09
12.	JNR-S-359/MDI	Shri Anant Ram	Ropeni, Chauntra.	1.61
13.	JNR-S-358/MDI	Shri Bhikhan	Jalpohar, Jeetpur	1.20
14.	JNR-S-356/MDI	Shri Dagu Ram	Mathi-Makreri	1.04
15.	JNR-S-345/MDI	Shri Biri Singh	Kuthera Tikri, Ahju	1.50

Simla-4, the 30th January, 1971

No. 22-5/70-Agr. (Sectt.)—Whereas the Land Development Board, Himachal Pradesh has prepared the Land Development Schemes, under section 4 of the Himachal Pradesh Land Development Act, 1954 in respect of the areas given against each scheme indicated below;

And whereas all the persons affected by the said schemes and also the Gram Panchayat/Panchayats concerned have consented to the execution of these schemes;

And whereas the State Government keeping in view the consents of the persons aforesaid and after consulting the Board has sanctioned the schemes under section 5(2) of the said Act;

Now, therefore, the schemes sanctioned by the State Government under section 5(2) are hereby published in the Rajpatra, Himachal Pradesh for the information of all concerned as required by

section 6 of the said Act and it shall come into force immediately:—

Sl. No.	Scheme No.	Name of the beneficiary	Resident of Village, Panchayat of District Mandi	Area to be covered in acres
1	2	3	4	5
1.	JNR-S-378/MDI	Shri Mangai Ram	Chimnu, Langna.	0.79
2.	JNR-S-379/MDI	Shri Beli Ram	Patta, Langna	0.79
3.	JNR-S-380/MDI	Shri Bhag Singh	Drahl, Kuthera	0.65
4.	JNR-S-381/MDI	Shri Sunder Lal	Gharmehar, Jeetpur.	0.62
5.	JNR-S-382/MDI	Shri Prakam	Basalon, Pihar	1.70
6.	JNR-S-465/MDI	Shri Saju	Patholoon, Jeetpur.	0.60
7.	JNR-S-456/MDI	Shri Bhikam etc.	Panjatan, Dhunda.	2.05
8.	JNR-S-457/MDI	Shri Charan Dass	Sahan, Pali	1.01
9.	JNR-S-458/MDI	Shri Khialai Ram, etc.	Barri, Dalah	2.10
10.	JNR-S-459/MDI	Shri Shidhoo	Chelli, Pali	2.51
11.	JNR-S-460/MDI	Shri Punu	Sahal, Pali	0.72
12.	JNR-S-461/MDI	Shri Sewak	Pipli, Pali	1.48
13.	JNR-S-462/MDI	Shri Ghamanda Ram	Sahal, Pali	0.78
14.	JNR-S-464/MDI	Shri Rosulu Ram	Narla, Pali	2.11
15.	JNR-S-418/MDI	Shri Kahana	Sahal, Pali	0.51

Simla-4, the 30th January, 1971

No. 22-5/70-Agr. (Sectt.)—Whereas the Land Development Board, Himachal Pradesh has prepared the Land Development Schemes, under section 4 of the Himachal Pradesh Land Development Act, 1954 in respect of the areas given against each scheme indicated below;

And whereas all the persons affected by the said schemes and also the Gram Panchayat/Panchayats concerned have consented to the execution of these schemes;

And whereas the State Government keeping in view the consents of the persons aforesaid and after consulting the Board has sanctioned the schemes under section 5(2) of the said Act;

Now, therefore, the schemes sanctioned by the State Government under section 5(2) are hereby published in the Rajpatra, Himachal Pradesh for the information of all concerned as required by section 6 of the said Act and it shall come into force immediately:—

Sl. No.	Scheme No.	Name of the beneficiary	Resident of Village, Panchayat of District Mandi	Area to be covered in acres
1	2	3	4	5
1.	JNR-S-344/MDI	Shri Jai Ram	Tramt, Ahju	13.00
2.	JNR-S-268/MDI	Shri Sadhu Ram and brothers.	Hatan, Daled	0.65
3.	JNR-S-267/MDI	Shri Lala Ram	Vaihal, Daled	0.65
4.	JNR-S-287/MDI	Shri Kashmir Singh	Banoh Panjalag	1.60
5.	JNR-S-288/MDI	Gram Panchayat	Ropru, Tulah	2.40
6.	JNR-S-261/MDI	Shri Khem Chand	Bhadiara, Kuthera.	0.84
7.	JNR-S-254/MDI	Shri Hari Singh	Chelli, Pali	1.86
8.	JNR-S-255/MDI	Shri Keshar Singh	Bhathra, Panjalg.	4.33
9.	JNR-S-258/MDI	Shri Moti Ram Verma	Bharyara, Dhelu.	2.96



1	2	3	4	5	6, of the said Act and it shall come into force immediately:—
Sl. No.	Scheme No.	Name of the beneficiary	Resident of Village, Panchayat of District	Area to be covered in acres	
10.	JNR-S-259/MDI	Shri Sukh Ram	Jalpehr, Jeetpur	1.07	
11.	JNR-S-309/MDI	Shri Moti Ram	Katipari Daloh	2.66	
12.	JNR-S-320/MDI	Shri Totalu Urf Jai Singh.	Bassa, Tandu	1.19	
13.	JNR-S-313/MDI	Shri Narain Singh	Manglana, Dhunda.	0.98	
14.	JNR-S-314/MDI	Shri Nahchal Ram, etc.	Khil, Kuthera	0.80	
15.	JNR-S-315/MDI	Shri Jai Ram	Jarl, Drubbal	0.98	
16.	JNR-S-316/MDI	Shri Anrudu and daughters.	Matha-thana, Panjalag.	0.65	

*Simla-4, the 30th January, 1971*

No. 22-5/70-Agr. (Sectt.).—Whereas the Land Development Board, Himachal Pradesh has prepared the Land Development Schemes, under section 4 of the Himachal Pradesh Land Development Act, 1954 in respect of the areas given against each scheme indicated below:

And whereas all the persons affected by the said schemes and also the Gram Panchayat/Panchayats concerned have consented to the execution of these schemes;

And whereas the State Government keeping in view the consents of the persons aforesaid and after consulting the Board has sanctioned the schemes under section 5 (2) of the said Act;

Now, therefore, the schemes sanctioned by the State Government under section 5(2) are hereby published in the Rajpatra, Himachal Pradesh for the information of all concerned as required by section 6 of the said Act and it shall come into force immediately:—

Sl. No.	Scheme No.	Name of the beneficiary	Resident of village, Panchayat of District	Area to be covered in acres
1	2	3	4	5
1.	JNR-248/MDI	Shri Gopalu	Malog, Pali	3.21
2.	JNR-S-245/MDI	Shri Jai Ram	Silag, Pali	0.70
3.	JNR-S-244/MDI	Shri Shobha Ram	Pipli, Pali	1.35
4.	JNR-S-247/MDI	Shri Jaisi Ram	Pundel, Padhar	0.84
5.	JNR-S-319/MDI	Shri Gilja etc.	Narla, Pali	2.60
6.	JNR-S-318/MDI	Shri Leharu	Gagal, Panjalag	1.55
7.	JNR-S-337/MDI	Shri Gangu Ram	Kuthera,	
			Kuthera,	0.62
8.	JNR-S-336/MDI	Shri Sidhu Ram	Kugrumore,	0.60
			Chakke, Kuthera.	
9.	JNR-S-336/MDI	Shri Uttam Ram	Jahnu, (Basahi).	
			Langna	2.10
10.	JNR-S-333/MDI	Shri Balam Ram	Bhadiara,	1.10
			Kuthera.	
11.	JNR-S-332/MDI	Shri Dalip Singh	Drahl, Kuthera	0.95
12.	JNR-S-331/MDI	Shri Bharat Singh etc.	Drahl, Drahal	1.56
13.	JNR-S-330/MDI	Shri Thanthi Ram	Pipli, Kuthera	1.05
14.	JNR-S-329/MDI	Shri Gopal Singh	Langnal Langnal.	1.45
15.	JNR-S-328/MDI	Shri Hira Lal	Baddu, Drahl	0.83

*Simla-4, the 30th January, 1971*

No. 22-5/70-Agr. (Sectt.).—Whereas the Land Development Board, Himachal Pradesh has prepared the Land Development Schemes, under section 4 of the Himachal Pradesh Land Development Act, 1954 in respect of the areas given against each scheme indicated below:

And whereas all the persons affected by the said schemes and also the Gram Panchayat/Panchayats concerned have consented to the execution of these schemes;

And whereas the State Government keeping in view the consents of the persons aforesaid and after consulting the Board has sanctioned the schemes under section 5(2) of the said Act;

Now, therefore, the schemes sanctioned by the State Government under section 5(2) are hereby published in the Rajpatra, Himachal Pradesh for the information of all concerned as required by section

Sl. No.	Scheme No.	Name of the beneficiary	Resident of Village, Panchayat of District	Area to be covered in acres
1	2	3	4	5
1.	JNR-S-342/MDI	Shri Om Prakash	Daled, Panjalag	0.40
2.	JNR-S-265/MDI	Shri Paras Ram etc.	Balh, Daled	1.70
3.	JNR-S-246/MDI	Shri Hetu	Pali, Pali	1.12
4.	JNR-S-266/MDI	Shri Budhi Singh and brothers.	Gehru, Daled	4.35
5.	JNR-S-263/MDI	Shri Panjku	Chandni, Chauntra	0.80
6.	JNR-S-264/MDI	Shri Mangat Ram	Jhalwan, Jeetpur.	1.10
7.	JNR-S-262/MDI	Shri Chaudhri Ram	Simus, Bharol	0.65
8.	JNR-S-257/MDI	Shri Sada Ram etc.	Bhalyandra, Jeetpur.	0.82
9.	JNR-S-290/MDI	Shri Bankoo	Munsoo, Dalah	0.66
10.	JNR-S-291/MDI	Shri Churoo	Sahal, Pali	5.31
11.	JNR-S-292/MDI	Shri Gobind	Cheli, Pali	2.41
12.	JNR-S-291-A/MDI	Shri Churoo	Sahal, Pali	2.41
13.	JNR-S-300/MDI	Shri Balak Ram	Pipli, Pali	0.65
14.	JNR-S-298/MDI	Shri Atma Ram	Gajon, Dhunda	2.45
15.	JNR-S-297/MDI	Shri Madho Ram and brothers.	Silag, Pali	3.57
16.	JNR-S-296/MDI	Shri Masadi Ram	Chehar, Pali	1.77
17.	JNR-S-295/MDI	Shri Loku Ram and brothers.	Dalah, Pali	4.08

*Simla-4, the 30th January, 1971*

No. 22-5/70-Agr. (Sectt.).—Whereas the Land Development Board, Himachal Pradesh has prepared the Land Development Schemes, under section 4 of the Himachal Pradesh Land Development Act, 1954 in respect of the areas given against each scheme indicated below:

And whereas all the persons affected by the said schemes and also the Gram Panchayat/Panchayats concerned have consented to the execution of these schemes;

And whereas the State Government keeping in view the consents of the persons aforesaid and after consulting the Board has sanctioned the schemes under section 5(2) of the said Act;

Now, therefore, the schemes sanctioned by the State Government under section 5(2) are hereby published in the Rajpatra, Himachal Pradesh for the information of all concerned as required by section 6 of the said Act and it shall come into force immediately:—

Sl. No.	Scheme No.	Name of the beneficiary	Resident of Village, Panchayat of District	Area to be covered in acres
1	2	3	4	5
1.	JNR-S-207/MDI	Shri Loku Ram etc.	Kalmana (Dhadu) Dalah.	2.17
2.	JNR-S-209/MDI	Shri Balak Ram	Pali, Pali	4.40
3.	JNR-S-210/MDI	Shri Sita Ram etc.	Silag, Pali	2.73
4.	JNR-S-212/MDI	Shri Vai Singh	Ropa, Ghunda	1.08
5.	JNR-S-213/MDI	Shri Anant Ram	Silang, Chauntra.	0.45
6.	JNR-S-194/MDI	Shri Bhikam Ram	Darat/Bagla, Jeetpur.	1.00
7.	JNR-S-211/MDI	Shri Birbal	Banog, Pali	1.00
8.	JNR-S-195/MDI	Shri Moti Ram	Taryambli, Drubbal.	1.00
9.	JNR-S-196/MDI	Shri Devi Singh	Drahal, Kuthera.	1.10
10.	JNR-S-197/MDI	Shri Des Raj	Drahal, Kuthera	1.50
11.	JNR-S-180/MDI	Shri Kanehya Ram	Ghenar, Pali	1.46
12.	JNR-S-198/MDI	Shri Teg Singh	Taryambli, Drubal.	0.80
13.	JNR-S-199/MDI	Shri Dharam Dave	Jallachar, Daloh	2.00
14.	JNR-S-201/MDI	Shri Ranchu Ram	Samkhetar, Daloh	2.00
15.	JNR-S-148/MDI	Shri Haru Ram	Tramet, Ahju	3.70

*Simla-4, the 1st February, 1971*

No. 22-5/70-Agr. (Sectt.).—Whereas the Land Development Board, Himachal Pradesh has prepared the Land Development Schemes, under section 4 of the Himachal Pradesh Land Development Act, 1954 in respect of the areas given against each scheme indicated below:

And whereas all the persons affected by the said schemes and also the Gram Panchayat/Panchayats concerned have consented to the execution of these schemes;

And whereas the State Government keeping in view the consents of the persons aforesaid and after consulting the Board has sanctioned the schemes under section 5(2) of the said Act;



Now, therefore, the schemes sanctioned by the State Government under section 5(2) are hereby published in the Rajpatra, Himachal Pradesh for the information of all concerned as required by section 6, of the said Act and it shall come into force immediately:—

Sl. No.	Scheme No.	Name of the beneficiary	Resident of village, Panchayat of District Mandi	Area to be covered (in Acres)
1	2	3	4	5
1.	SRG-S-54/MDI	Shri Thunya Ram	Matyara, Kot	1.00
2.	SRG-S-52/MDI	Shri Amar Singh & Bros.	Langehera, Gopalpur	13.00
3.	SDR-NGW-230C/MDI	Shri Beli Ram	Kuthara, Manjwar	2.00
4.	SDR-NGW-231/MDI	Shri Ganga Ram	Bhatwara, Jwalapur	0.45
5.	SDR-NGW-244/MDI	Shri Ram Parkash	Baba, Nawgain	3.90
6.	SDR-NGW-243/MDI	Shri Bhag Chand	Daul, Nagwain	0.36
7.	SRG-S-75/MDI	Shri Sibi etc.	Tikri, Samaila	4.50
8.	SRG-S-72/MDI	Shri Baragi Ram	Jehamat, Jehamat	1.50
9.	SRG-S-71/MDI	Shrimati Mathro Devi etc.	Kholi, Ram Kot	3.00
10.	SRG-S-70/MDI	Shri Bhag Singh	Gahamat, Jehamat	2.50
11.	SRG-S-69/MDI	Shrimati Nathi Devi	Khudla, Baldwara	1.10
12.	SRG-S-68/MDI	Shri Kapura Ram etc.	Chori, Samela	0.80
13.	SRG-S-67/MDI	Shri Ram Lal	Kadwin, Kot	0.60
14.	SRG-S-66/MDI	Shri Mansho, Padmu, Ram Lal	Ghori, Samela	0.70
15.	SRG-S-64/MDI	Shri Makhan Lal etc.	Ghori, Samela	0.80

By order,

P. K. MATTOO,

Land Development Commissioner.

#### WELFARE DEPARTMENT

#### NOTIFICATION

Simla-2, the 2nd February, 1971

No. 22-4/69-WEL-SECTT.—In exercise of the powers conferred by section 13 of the Himachal Pradesh Backward Classes (Grant of Loans) Act, 1969 and all other powers enabling him in this behalf, the Governor, Himachal Pradesh is pleased to make the following rules:—

1. *Short title.*—These rules may be called the Himachal Pradesh Backward Classes (Grant of Loans) Rules, 1970.

2. *Definitions.*—In these rules, unless there is anything repugnant in the subject or context—

- "Form" means a form appended to these rules.
- "Section" means a section of the Himachal Pradesh Backward Classes (Grant of Loans) Act, 1969.
- "Controlling Authority" means the Director of Welfare, Himachal Pradesh.
- "District Welfare Officer" means the Welfare Officer of the District concerned.

#### Section 4

3. *Application for loan.*—An application for a loan by any person belonging to Backward Classes shall be made in Form 'A' to the Controlling Authority personally or through a recognised agent or by registered post (acknowledgement due).

4. *Verification of application.*—The contents of the application will be verified by the District Welfare Officer and forwarded to the Controlling Authority with his recommendations.

5. *Calculation of annual gross income.*—The applicant shall attach a certificate duly obtained from a Magistrate 1st Class with the application to the effect that the annual gross income from all sources in the preceding year does not exceed two thousand rupees.

#### Section 5

6. *Undertaking and Surety Bond.*—The bond to be executed by the applicant under section 5 shall be in Form 'B' and the surety bond shall be in Form 'C'.

#### Section 8

7. *Notice under section 8.*—The Controlling Authority may declare notwithstanding anything contained in the bond executed by the borrower that the loan shall be immediately recoverable and shall give notice of such declaration to the borrower in Form 'D'.

8. *Repayment of loan.*—The borrower may repay the whole or any portion of the loan before the due date to the District Welfare Officer in cash or he may deposit it into the Government treasury under relevant receipt head and submit one copy of challan to the District Welfare Officer. The District Welfare Officer will send an intimation to the Controlling Authority in this behalf.

#### Section 9

9. *Appeals.*—An appeal made under section 9 shall be in the form of a written memorandum accompanied by a copy of the notice under section 8 and presented by the applicant or his recognised agent either in person or through registered post (acknowledgement due).

#### Section 10

10. *Notice to pay.*—The notice to the borrower calling upon him to pay the sum due under section 10 shall be in Form 'E'.

#### Section 13 (2)(e)

11. *Purpose for granting loans.*—The loan may be granted for establishing or expanding an industry, business or profession.

#### FORM 'A'

(See rule 3)

Form of application for loan under the H.P. Backward Classes (Grant of Loans) Act, 1969.

*Note.*—The application is to be submitted in duplicate. All names to be given in full).

To

The Controlling Authority,

Sir,

I beg to apply for a loan of Rs. .... (Rupees.....) only.

1. The required particulars are given below:—

- Name of applicant.
- Father's/Husband's name.
- Caste.
- Age of the applicant.
- Present address and occupation.
- Permanent address.
- Nature of business/Profession for which loan is required.
- Year in which business/profession was started and the place of business.

Or

The place where the applicant now intends to carry on his business/ profession.

(i) The amount of capital invested in the business/profession.

Or

The amount of capital proposed to be invested.

- Why it has now become necessary to apply for a loan? (in case of business or profession already started).
- The amount of loan desired.
- Purpose for which loan is desired.
- Whether applicant has special qualifications or experience for the business/profession for which loan is required (details of qualifications to be given).

- (m) Has the applicant already applied for a loan under the H.P. Backward Classes (Grant of Loan) Act, 1969? If so, when and with what results?
- (n) Has the applicant already received any loan from the Government; a Co-operative Society/Bank or the Rehabilitation Department? Give full particulars, and the purpose.
- (p) Manner in which repayment of loan is proposed to be made including the period over which the payment of loan should be spread.
- (q) Financial position of the applicant.

(Yours faithfully),  
(Signatures).

#### AFFIDAVIT

I, .....son/daughter/wife/widow of.....  
....., caste....., resident of.....  
.....district.....solemnly declare that  
I am a bona fide member of schedule caste/schedule tribes/back-  
ward classes and that the particulars given above are true and correct  
to the best of my knowledge and belief. I further solemnly declare that  
I shall notify all changes in address to the Controlling Authority (i.e.  
Director of Welfare, Himachal Pradesh) and shall shift my place of  
occupation without the prior permission of such authority.

Attested.

Department.

(Magistrate or Oath Commissioner with seal).

#### CERTIFICATE

It is certified that Shri.....son of.....of  
(place and district) belongs to.....caste which has been  
notified as scheduled caste and scheduled tribe caste declared as  
such under the Constitution (Scheduled Castes) Union Territories  
Order, 1951 and the constitution (Scheduled Tribes) (Union Terri-  
tories) Order, 1951, or declared by the Government, to be backward  
classes under section 2(a) of the Himachal Pradesh Backward Class-  
es (Grant of Loans) Act, 1969. His annual gross income from all  
sources as calculated under rule 5 does not exceed two thousand  
rupees.

Signatures.

(To be signed by a Magistrate 1st Class with the seal).

#### FORM 'B' (See rule 6)

Personal bond by a borrower executed under sub-section (i) of  
section 5 of the Himachal Pradesh Backward Classes (Grant of  
Loans) Act, 1969.

WHEREAS a loan of Rs.....has been sanctioned to me  
by the Controlling Authority appointed under the provisions of  
the Himachal Pradesh Backward Classes (Grant of Loans) Act, 1969;  
AND WHEREAS I am required to execute a bond in respect thereof,  
I,.....son of.....caste.....  
.....president of.....village  
.....District.....hereby  
agree with President of India through Secretary to Government of  
Himachal Pradesh and bind myself and my successors-in-interest as  
under:—

1. That I shall apply the money lent to me for the purposes of  
.....for which the loan has been  
sanctioned and to no other purpose within.....

2. That I shall fulfil the following conditions on which the loan  
has been sanctioned:—

(a) I shall maintain a regular and complete account  
of all income received and expenses incurred in  
connection with the purpose for which the loan has been  
given.

(b) I shall submit a six monthly statement of accounts of the  
income received and expenditure incurred in connection  
with the purpose for which the loan has been granted.

(c) I shall pay to the Government the said amount of loan in  
twenty half-yearly equated instalments on the day of.....  
.....and the.....day of the.....  
in each year commencing from the expiry of four years  
from the date of advance of the said loan.

(d) In case of default of any payment at the due date or in the  
event of breach of any other condition of this bond or of  
the loan being declared to be immediately recoverable by  
the Controlling Authority, the amount to loan and costs, if  
any incurred in making or recovering the loan, shall be  
recoverable from me and my property as well as of the  
surety.

(e) I shall not change my place of business or profession as  
recorded in my application for loan except with the

prior written permission of the Controlling Authority.

- (f) I shall comply with any general or special order of  
Controlling Authority relating to the inspection of the  
premises, buildings, machinery and stock in hand pur-  
chased or hired by me with the aid of the loan granted  
to me and shall furnish any information which the said  
authority may require in respect of the purpose or pur-  
poses for which the loan was granted of that manner in  
which the loan has been or is being utilized.

Dated this.....day of.....19.....

Witness (i) .....  
Address.....

Signature.

#### FORM 'C' (See rule 6)

(Surety Bond under sub-section (2) of section 5 of the Himachal  
Pradesh Backward Classes (Grant of Loans) Act, 1969.

WHEREAS a loan of Rs.....has been granted to Shri/  
Shrimati/Miss...../District by the Controlling Authority under the  
provisions of the Himachal Pradesh Backward Classes (Grant of  
Loans) Act, 1969, AND WHEREAS the said borrower has executed a  
bond in favour of President of India on.....I stand  
surety for the said borrower and bind myself and my successors-in-  
interest unto the President of India, with Secretary to Government  
of Himachal Pradesh as under:—

THAT in case of the borrower making default in payment of  
the said loan or a part thereof as agreed upon by him or in  
not fulfilling any of the conditions on which the loan has  
been granted to him, or in not applying the money for pur-  
pose for which the loan has been granted, amount of loan,  
so sanctioned, and costs, if any, incurred in making or  
recovering the loan shall be recoverable from me as well as  
from my property.

THAT grant of time or other indulgence by the Government or the  
said Controlling Authority to the borrower or any neglect  
or forbearance on the part of said Government or the said  
authority shall not affect my liability under this bond.

Dated.....day of.....19.....

1. Witness.....  
Address.....  
2. Witness.....  
Address.....

Signatures.

#### FORM 'D' (See rule 7)

Notice to the Borrower under section 8 of the Himachal Pradesh,  
Backward Classes (Grant of Loans) Act, 1969.

WHEREAS I am satisfied that the money (Rs.....)  
lent to you by the President of India through Secretary to Government  
of Himachal Pradesh which was duly received by you on.....  
.....and for which you executed a bond with surety on.....  
.....is not being wholly applied to the purpose or pur-  
poses of.....for which it was lent or/and that the following condition(s) on which  
it was lent are not fulfilled.

OR

Whereas I am satisfied that you have failed without reasonable  
cause to comply with my order dated.....duly served on you  
on.....or to furnish information required in my  
order dated.....duly served on you on.....  
.....it is, therefore, hereby declared under  
section 8 of the Himachal Pradesh Backward Classes (Grant of  
Loans) Act, 1969, that the said loan is immediately recoverable from  
you in lump sum.

Dated this.....day of.....19.....

Signatures  
Designation

#### FORM 'E' (See rule 10)

Notice to the borrower under section 10 of the Himachal  
Pradesh Backward Classes (Grant of Loans) Act, 1969.

WHEREAS a sum of Rs.....was granted to you by  
way of loan by the President of India which was duly received by you  
on.....for which you executed a bond with surety  
on.....

AND WHEREAS the said loan of Rs.....part of the loan  
Rs.....instalment Rs.....has fallen due  
and has not been paid on or before the due date.....

OR

dated this.....day of.....

WHEREAS the said loan has been declared immediately recoverable vide order of the Controlling Authority dated..... duly served on you on.....

You are hereby served with a notice to pay the sum of Rs..... due from you by.....to.....

Signatures  
CONTROLLING AUTHORITY (DESIGNATION).  
PRAKASH CHAND,  
Secretary.

**भाग 4—स्थानीय स्वायत्त शासन: म्युनिसिपल बोर्ड, डिस्ट्रिक्ट बोर्ड, नोटिफाइड और टाउन एरिया तथा पंचायत विभाग**

शून्य

**भाग 5—वैयक्तिक अधिसूचनाएं और विज्ञापन**

**STATE BANK OF PATIALA  
NOTICE**

*Patiala, the 1st February, 1971*

No. 7 SBOP.—The following transfers and changes in the posting of Bank's Supervising Staff are hereby notified:—

1. Shri Ravinder Kumar, Officer Grade 'C' held charge of Kasauli Branch as from the commencement of business on 14th December, 1970, to the commencement of business on 18th December, 1970.
2. Shri Pritam Singh Kainth, Junior Officer held charge of Palampur Branch as from the close of business on 1st January, 1971, to the commencement of business as on 4th January, 1971.
3. Shri Hari Ram Gupta, Junior Officer held charge of Nalagarh Branch as from the close of business on 24th November, 1970, to the close of business on 1st January, 1971.
4. Shri H. C. Sofat, Junior Officer held charge of Dharampur Branch as from the commencement of business on 5th January, 1971, to the commencement of business on 18th January, 1971.
5. Shri Ghansham Lal, Junior Officer, officiated as Manager, Kangra Branch as from the close of business on 12th January, 1971, to the close of business on 18th January, 1971, vice Shri Shiv Dev Singh Sodni, Officer Grade 'C'.

K. SUBRAMANIAN,  
General Manager.

**THE BAR COUNCIL OF HIMACHAL PRADESH**

(FUNCTIONING THROUGH THE BAR COUNCIL OF PUNJAB AND HARYANA, HIGH COURT BUILDING, CHANDIGARH, UNDER SECTION 24(5)(b) OF THE STATE OF HIMACHAL PRADESH ACT, 1970)

**NOTIFICATION**

*Chandigarh, the 9th February, 1971*

No. 1/B.C.H.P.—It is hereby notified that under section 17(1) (a) of the Advocates Act, 1961 read with section 24(4)(a) of the State of Himachal Pradesh Act, 1970 (No. 53 of 1970) with reference to the roll of the Bar Council of Himachal Pradesh, the Bar Council of India has prescribed the rules which require all persons who are entered as Advocates on the roll of the Bar Council of Punjab And Haryana under the Advocates Act, 1961, immediately before the

appointed day i.e., 25th January, 1971, and who are desirous of practising within the jurisdiction of the Bar Council of Himachal Pradesh shall express their intention in writing in the Form hereunder given and send the same by Registered post so as to reach the Bar Council of Himachal Pradesh through the Bar Council of Punjab and Haryana, High Court Building, Chandigarh, not later than the 24th April, 1971:—

FORM OF DECLARATION UNDER SECTION 17(1)(a) OF THE ADVOCATES ACT, 1961, READ WITH SECTION 24(4)(a) OF THE STATE OF HIMACHAL PRADESH ACT, 1970

To

The Bar Council of Himachal Pradesh,  
(Through the Bar Council of Punjab and Haryana),  
High Court Building,  
CHANDIGARH.

1. (a) My name is entered as an Advocate on the roll of the Bar Council of Punjab and Haryana immediately before the appointed day i.e., 25th January, 1971, under section 17(1) of the Advocates Act, 1961, read with section 24(4)(a) of the Himachal Pradesh Act, 1970.

(b) I give below the necessary particulars:—

1. Name (as in the Roll of the Bar Council of Punjab and Haryana).
2. Address.
3. (a) Date of enrolment as in the said Roll.  
(b) Roll No. as in the said Roll.

2. I intend to practise as an Advocate within the jurisdiction of the Bar Council of Himachal Pradesh and I therefore request you to enter my name and address on the Roll of the said Bar Council.

I declare that the above statements are true to my knowledge.

Yours faithfully,

(Signature of Advocate).

DATE:  
PLACE:

MOHINDER PAL SINGH GILL,  
Honorary Secretary.

**भाग 6—भारतीय राजपत्र इत्यादि में से पुनः प्रकाशन**

(देखिये पृष्ठ 304—344)

**भाग 7—भारतीय निर्वाचन आयोग (Election Commission of India) की वैधानिक अधिसूचनाएं तथा अन्य निर्वाचन सम्बन्धी अधिसूचनाएं**

शून्य

अनुपूरक

शून्य

## PART VI

LAW DEPARTMENT  
NOTIFICATIONS

Simla -4, the 20th May, 1963

No. 1-16/62-LR. The following Act recently passed by the Parliament of India and published in the Gazette of India, Extraordinary, part-II, section I, dated the 27th April, 1963, is hereby republished in the Himachal Pradesh Administration Rajpatra for the information of general public:

The Finance Act, 1963 (No. 13 of 1963).

S. R. MAHANTAN,  
Under Secretary (Judicial).

Assented to on 28-4-63.

THE FINANCE ACT, 1963  
(ACT No. 13 of 1963)AN  
ACT

to give effect to the financial proposals of the Central Government for the financial year, 1963-64.

Enacted by Parliament in the Fourteenth Year of the Republic of India as follows: -

1. *Short title and commencement.* (1) This Act may be called the Finance Act, 1963.

(2) Save as otherwise provided in this Act, sections 3, 6, 7, 9, 11, 12, 13 and 21 shall be deemed to have come into force on the 1st day of April, 1963.

2. *Income-tax and super-tax.* (1) Subject to the provisions of sub-sections (2), (3), (4) and (5), for the assessment year commencing on the 1st day of April, 1963, -

(a) income-tax shall be charged at the rates specified in part I of the First Schedule and,

(i) in the cases to which paragraphs A, B, C and E of that part apply, shall be increased by a surcharge for purposes of the Union and, except in the cases to which the said Paragraph E applies, a special surcharge, calculated in either case in the manner provided therein; and

(ii) in the cases to which paragraphs A and C of the aforesaid part apply, shall further be increased by an additional surcharge for purposes of the Union (hereinafter referred to as additional surcharge) calculated in the manner provided in the said Schedule;

(b) super-tax shall, for the purposes of section 95 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the Income-tax Act) be charged at the rates specified in Part II of the First Schedule, and, in the cases to which paragraphs A, B and C of that part apply, shall be increased by a surcharge for purposes of the Union and a special surcharge, calculated in either case in the manner provided therein.

(2) In making any assessment for the assessment year commencing on the 1st day of April, 1963,

(a) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries", the income-tax payable by the assessee on that part of his total income which consists of such inclusion shall be an amount bearing to the total amount of

income-tax payable according to the rates applicable under the operation of the Finance (No. 2) Act, 1962 (20 of 1962) on his total income the same proportion as the amount of such inclusion bears to his total income;

(b) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" on which super-tax has been or might have been deducted under the provisions of sub-section (1) of section 192 of the Income-tax Act, the super-tax payable by the assessee on that portion of his total income which consists of such inclusion shall be an amount bearing to the total amount of super-tax payable according to the rates applicable under the operation of the Finance (No. 2) Act, 1962 (20 of 1962), on his total income the same proportion as the amount of such inclusion bears to his total income.

(3) In making any assessment for the assessment year commencing on the 1st day of April, 1963, where the total income of a company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956), includes any profits and gains from life insurance business, the super-tax payable by it shall be the aggregate of the tax calculated—

(i) on the amount of profits and gains from life insurance business so included, at the rate applicable to the Life Insurance Corporation of India in accordance with paragraph E of part II of the First Schedule; and

(ii) on the remaining part of its total income, at the rate applicable to the company on its total income.

(4) (a) In cases to which Chapter XII of the Income-tax Act applies, the tax chargeable shall be determined as provided in that Chapter, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter, as the case may be.

(b) In computing under section 209 of the Income-tax Act, the advance tax payable by an assessee, the additional surcharge shall be included.

(c) The amount of income-tax to be deducted at source under sub-section (1) of section 192 of the Income-tax Act from income chargeable under the head "Salaries" shall include an additional surcharge equal in amount to the additional surcharge which would have been leviable if the estimated income under that head had been the total income.

(5) In respect of any assessment for the assessment year commencing on the 1st day of April, 1963—

(i) an assessee being an Indian company or any other company which has made the prescribed arrangements for the declaration and payment of dividends within India or an assessee (other than a company) whose total income includes any profits and gains derived from the export of any goods or merchandise out of India, shall be entitled to a deduction, from the amount of income-tax and super-tax with which he is chargeable of an amount equal to the income-tax and super-tax calculated respectively at one tenth of the average rate of income-tax and of the average rate of super-tax on the amount of such profits and gains included in the total income;

(ii) where an assessee of the type referred to in clause (i) is engaged in the manufacture of any articles

in an industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951), exports after the 28th day of February, 1963, such articles out of India, he shall be entitled, in addition to the deduction of tax referred to in clause (i), to a further deduction from the amount of tax with which he is chargeable for the assessment year of an amount equal to the income-tax and super-tax calculated respectively at the average rate of such taxes on an amount equal to two per cent of the sale proceeds in respect of such export:

(iii) where an assessee of the type referred to in clause (i) engaged in the manufacture of any articles in an industry specified in the said First Schedule sells after the 28th day of February, 1963, such articles to any other person in India who himself exports them out of India and evidence is produced before the Income-tax Officer of such articles having been so exported, the assessee shall be entitled to a deduction from the amount of income-tax and super-tax with which he is chargeable for the assessment year of an amount equal to the income-tax and super-tax calculated respectively at the average rate of such taxes on a sum equal to two per cent of the sale proceeds receivable by him in respect of such articles from the exporter:

(iv) the total of the deductions under this sub-section shall in no case exceed the amount of income-tax and super-tax otherwise payable by the assessee;

(v) nothing contained in clauses (ii) and (iii) shall apply in relation to fuels, textiles (including those dyed, printed or otherwise processed), sugar, vegetable oils and vanaspathi, cement and gypsum products and cigarettes respectively specified in items 23, 25, 28, 35 and 38 of the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951), and in relation to such other articles in any other industry specified in that Schedule which may be notified in the Official Gazette by the Central Government having regard to the progress achieved by the industry or any other relevant factors;

(vi) the amount of any profits and gains derived from the export of any goods or merchandise out of India in respect of which deduction of income-tax and super-tax is admissible under clause (i) shall be computed in accordance with the rules made by the Central Board of Revenue in this behalf;

(6) In cases in which tax has to be deducted under sub-section (2) of section 192 and sections 193 to 195 of the Income-tax Act at the rates in force, the deduction shall be made at the rates specified in part III of the First Schedule.

(7) For the purposes of this section, and of the rates of tax imposed thereby, and of section 3—

(i) the expressions "assessment year", "average rate of income-tax", "average rate of super-tax", "partner", "tax" and "total income" have the meanings respectively assigned to them under clauses (9), (10), (11), (23), (43) and (45) of section 2 of the Income-tax Act;

(ii) the expression "earned income" has the same meaning as in section 2 of the Finance (No. 2) Act, 1962 (20 of 1962).

(8) For the purposes of paragraphs A and C of part I of the First Schedule, the expression "residual income"

means the amount of the total income as reduced by—

(a) the amount of the capital gains, if any, included therein; and

(b) the amount of tax (exclusive of additional surcharge) which would have been chargeable on such reduced total income if it had been the total income no part of which had been exempt from tax and on no portion of which deduction of tax had been admissible under any provisions of the Income-tax Act or this Act.

3. *Additional surcharge not to be taken into account for purposes of deduction etc.* Notwithstanding anything contained in the provisions of Chapter VII or Chapter VIII-A or section 110 of the Income-tax Act or sub-section (5) of section 2 of this Act, in calculating any relief, rebate or deduction in respect of income-tax payable on the total income of an assessee which includes any income on which no income-tax is payable or in respect of which a deduction of income-tax is admissible under any of the aforesaid provisions, no account shall be taken of the additional surcharge.

4. *Amendment of section 2.*—In section 2 of the Income-tax Act, for clause (44), the following clause shall be, and shall be deemed always to have been, substituted, namely:—

"(44) 'Tax Recovery Officer' means—

(i) a Collector or an additional Collector;

(ii) any such officer empowered to effect recovery of arrears of land revenue or other public demand under any law relating to land revenue or other public demand for the time being in force in the State as may be authorised by the State Government, by general or special notification in the Official Gazette, to exercise the powers of a Tax Recovery Officer;

(iii) any Gazetted Officer of the Central or a State Government who may be authorised by the Central Government, by general or special notification in the Official Gazette, to exercise the powers of a Tax Recovery Officer."

5. *Amendment of section 13.*—In section 13 of the Income-tax Act, in clause (b), for the words "trust or charitable institution", the words "trust for charitable purposes or a charitable institution" shall be, and shall be deemed always to have been, substituted.

6. *Amendment of section 40.*—In section 40 of the Income-tax Act, in clause (c),—

(1) before the *Explanation*, the following sub-clause shall be inserted, namely:

"(iii) any expenditure which results directly or indirectly in the provision of any remuneration or benefit or amenity to an employee who is a citizen of India, to the extent such expenditure exceeds the amount calculated at the rate of five thousand rupees per month for any period of his employment after the 28th day of February, 1963;

Provided that in computing the aforesaid expenditure, any payments by way of gratuity or any sums comprised in the transferred balance of an employee participating in a recognised provident fund referred to in clause (vii) of sub-section (1) of section 17, or the amount of any compensation referred to in clause (i) or any payment referred to in clause (ii) of sub-section (3) of that section shall not be taken into account."

(2) In the *Explanation* after the words, brackets and figure "referred to in sub-clause (i)", the words, brackets and figures "or in sub-clause (iii)" shall be inserted.

7. *Amendment of section 58.*—In section 58 of the Income-tax Act, in clause (b), after the words, brackets

and figure "referred to in sub-clause (i)", the words, brackets and figures "or in sub-clause (iii)" shall be inserted.

8. *Amendment of section 139.* In section 139 of the Income-tax Act,

(1) in sub-section (1), in clause (iii)(b) of the proviso, the words "as finally assessed" shall be, and shall be deemed always to have been, omitted;

(2) after sub-section (1), the following sub-section shall be, and shall be deemed always to have been, inserted, namely:—

"(1A) Where as a result of an order under section 154 or section 155 or section 250 or section 254 or section 260 or section 262 or section 264, the amount of tax on which interest was payable under clause (iii) of the proviso to sub-section (1) has been reduced, the interest shall be reduced accordingly, and the excess interest paid, if any, shall be refunded."

(3) after sub-section (7), the following sub-section shall be inserted, namely:—

"(8) Notwithstanding anything contained in clause (iii) of the proviso to sub-section (1), the Income-tax Officer may, in such cases and under such circumstances as may be prescribed, reduce or waive the interest payable by any person under any provision of this section."

9. *Insertion of new section 141A.*—After section 141 of the Income-tax Act, the following section shall be inserted, namely:—

"141A. *Relief to be given to, and interest to be recovered from, assessee in certain cases.*—(1) If any assessee having furnished a return under section 139 before the 1st day of January of the assessment year, pays before that date the tax determined as payable by him in pursuance of a provisional assessment made under section 141 or a regular assessment made under section 143 or section 144, or where neither of such assessments has been made before that date, the tax payable by him on the basis of such return after taking into consideration the tax paid for the assessment year under the provisions of Chapter XVII-B, or Chapter XVII-C, he shall be entitled to a deduction from the amount of income-tax and super-tax with which he is chargeable of an amount equal to one per cent of the amount of tax so paid by him before the said date.

(2) If any assessee does not furnish a return under section 139 before the 1st day of January of the assessment year and no regular assessment under section 144 is made before the said date, he shall, in addition to the amount of income-tax and super-tax with which he is chargeable, be liable to pay an amount calculated at two per cent per annum from the said 1st day of January to—

(i) in the case where no return is furnished, the date on which a regular assessment is made under section 144;

(ii) in the case where a return is filed after the said 1st day of January, the date on which a provisional assessment under section 141 or a regular assessment under section 143 or section 144, whichever is earlier, is made;

the calculation in the case referred to in clause (i) being made with reference to the tax payable on regular assessment under section 144 and in the case referred to in clause (ii) being made with reference to the tax payable on the

basis of the return, and in either case after taking into consideration the tax already paid under the provisions of Chapter XVII-B or Chapter XVII-C.

(3) If any assessee, having furnished a return under section 139 before the 1st day of January of the assessment year does not pay before that date the tax payable on the basis of such return after taking into consideration the tax already paid for the assessment year under the provisions of Chapter XVII-B or Chapter XVII-C and no provisional assessment under section 141 or regular assessment under section 143 or section 144 is made before the said date, he shall, in addition to the amount of income-tax and super-tax with which he is chargeable be liable to pay an amount calculated at two per cent per annum from the said 1st day of January to the date on which a provisional assessment under section 141 or a regular assessment under section 143 or section 144, whichever is earlier, is made, the calculation being made with reference to the tax payable on the basis of the return after taking into consideration the tax already paid under the provisions of the aforesaid Chapters.

(4) Any sum paid by an assessee in accordance with the provisions of sub-section (1) otherwise than in pursuance of a provisional assessment made under section 141 or a regular assessment under section 143 or section 144, shall be treated as a payment of tax in respect of the relevant assessment year, and credit therefor shall be given to the assessee in the regular assessment."

10. *Amendment of section 146.*—In section 146 of the Income-tax Act, for the words and figures "in accordance with the provisions of section 143 or 144", the words and figures "in accordance with the provisions of section 143 or section 144" shall be substituted.

11. *Amendment of section 209.*—In section 209 of the Income-tax Act, after clause (c) and before the *Explanation*, the following clause shall be inserted, namely:—

"(d) in cases where the Income-tax Officer makes an amended order referred to in sub-section (3) of section 210 on the basis of a provisional assessment, the total income on the basis of which the relevant provisional assessment had been made shall be substituted for the total income referred to in clause (a)."

12. *Amendment of section 210.*—In section 210 of the Income-tax Act, for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) If, after the making of an order by the Income-tax Officer under this section and before the 15th day of February of the financial year, a regular assessment or a provisional assessment under section 141 of the assessee (or of the registered firm of which he is a partner) is made in respect of a previous year later than that referred to in the order of the Income-tax Officer, the Income-tax Officer may make an amended order requiring the assessee to pay in one instalment on the specified date, or in equal instalments on the specified dates, if more than one, falling after the date of the amended order, the advanced tax computed on the basis of the total income determined for the purposes of the regular assessment or the provisional assessment aforesaid as reduced by the amount, if any, paid in accordance with the original order."

13. *Amendment of section 215.*—In section 215 of the Income-tax Act, for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Where before the date of completion of a regular assessment, a provisional assessment is made

under section 141 or tax is paid by the assessee otherwise than in pursuance of such a provisional assessment—

- (i) interest shall be calculated in accordance with the foregoing provision up to the date on which the tax is paid either as provisionally assessed or otherwise; and
- (ii) thereafter interest shall be calculated at the rate aforesaid on the amount by which the tax as so paid (in so far as it relates to income subject to advance tax) falls short of the said seventy-five per cent."

14. *Amendment of section 220.*—In section 220 of the Income-tax Act, to sub-section (2), the following proviso shall be, and shall be deemed always to have been, added, namely:—

"Provided that, where as a result of an order under section 154, or section 155, or section 250, or section 254, or section 260, or section 262, or section 264, the amount on which interest was payable under this section had been reduced, the interest shall be reduced accordingly and the excess interest paid, if any, shall be refunded."

15. *Amendment of section 223.*—In section 223 of the Income-tax Act, in sub-section (2), the words "in a district" shall be, and shall be deemed always to have been, omitted.

16. *Amendment of section 233.*—In section 233 of the Income-tax Act, for the words and figures "assessment made under section 143 or 144", the words and figures "assessment made under section 143 or section 144" shall be substituted.

17. *Amendment of section 271.*—In section 271 of the Income-tax Act, in sub-section (1), in clause (a), the word "his" occurring before the words "total income" shall be omitted.

18. *Amendment of section 291.*—In section 291 of the Income-tax Act, in sub-section (1), after the words "the evasion of payment of tax on income", the words "it is necessary or expedient so to do" shall be inserted.

19. *Amendment of section 297.*—In section 297 of the Income-tax Act, in sub-section (2), in clause (e), before the words, figures and letter "section 23A of the repealed Act", the words, brackets and letters "subject to the provisions of clause (g) and clause (j) of this sub-section" shall be, and shall be deemed always to have been, inserted.

20. *Amendment of the Second Schedule.*—In the Second Schedule to the Income-tax Act,—

- (1) in Part I, after rule 19, the following rule shall be, and shall be deemed always to have been, inserted, namely:—

"19A. *Entrustment of certain functions by Collector or additional Collector.*—A Tax Recovery Officer, being a Collector or an additional Collector, may, subject to the approval of the State Government, entrust any of his functions as Tax Recovery Officer to any other officer lower than him in rank who is empowered to effect recovery of arrears of land revenue or other public demand under any law relating to land revenue or other public demand for the time being in force in the State and such officer shall, in relation to functions so entrusted to him, be deemed to be a Tax Recovery Officer."

- (2) in rule 86, for sub-rule (1), the following sub-rule shall be, and shall be deemed always to have been, substituted, namely:—

"(1) An appeal from any original order passed by the

Tax Recovery Officer under this Schedule, not being an order which is conclusive, shall lie—

- (a) in the case of a Tax Recovery Officer, being a Collector or an additional Collector or an officer referred to in sub-clause (iii) of clause (44) of section 2, to the revenue authority to which appeals ordinarily lie against the orders of a Collector under the law relating to land revenue of the State concerned; and
- (b) in any other case, to the revenue authority to which an appeal or an application for revision would ordinarily lie, if the order passed by him were the order under the law relating to land revenue or other public demand for the time being in force in the State concerned."

21. *Amendment of Act 27 of 1957.*—In section 5 of the Wealth-tax Act, 1957,—

- (1) in sub-section (1)—

(a) clause (xv) shall be omitted;

(b) in clause (xvi), for the words "twelve year national plan savings certificates held by the assessee", the words "twelve year national plan savings certificates, ten year defence deposit certificates and twelve year national defence certificates held by the assessee, to the extent to which the amount of such certificates or deposits do not exceed in each case the maximum amount permitted to be invested or deposited therein" shall be substituted;

- (2) to sub-section (3), the following proviso shall be added, namely:—

"Provided that for the purpose of making any assessment for the financial year commencing on the 1st day of April, 1963, the provisions of clause (b) shall not apply to ten year defence deposit certificates and twelve year national defence certificates held by the assessee on the relevant valuation date."

22. *Amendment of Act 32 of 1934.*—In the Indian Tariff Act, 1934 (hereinafter referred to as the Tariff Act).—

- (1) in section 2A,—

(i) in sub-section (1),—

(a) after the words "manufactured in India" occurring before the *Explanation*, the following shall be inserted, namely:—

"and if such excise duty on a like article is leviable at any percentage of its value, the customs duty to which the imported article shall be so liable shall be calculated at that percentage of the value of the imported article."

(b) in the *Explanation*, for the words, "In this sub-section", the words brackets figure and letter "In this sub-section and sub-section (1A)" shall be substituted;

- (ii) after sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) For the purpose of calculating under this section the customs duty on any imported article equal to the excise duty for the time being leviable on a like article, if produced or manufactured in India, where such excise duty is leviable at any percentage of its value, the value of the imported article shall, notwithstanding anything contained in section 14 of the Customs Act, 1962 (52 of 1962) be the aggregate of—

- (i) the value of the imported article determined under sub-section (1) of the said section 14 or the tariff value of such article fixed under sub-section (2) of that section, as the case may be;



- (ii) any duty of customs chargeable on that article under section 12 of the Customs Act, 1962 (52 of 1962) other than the duty referred to in sub-section (1); and
- (iii) any sum chargeable on that article under any law for the time being in force as an addition to, and in the same manner as, a duty of customs."

(2) the First Schedule shall be amended in the manner specified in the Second Schedule to this Act.

23. *Surcharge on duties of customs.*—(1) In the case of goods chargeable with a duty of customs which is specified in the First Schedule to the Tariff Act as amended by this Act or any subsequent Act of Parliament, or in that Schedule read with any notification of the Central Government for the time being in force, there shall be levied and collected as an addition to, and in the same manner as, the total amount so chargeable a sum equal to 10 per cent of such amount:

Provided that in computing the total amount so chargeable, any duty chargeable under section 2A of the Tariff Act or section 24 of this Act shall not be included.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1964 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

24. *Regulatory duty of customs.*—(1) There shall be levied and collected, with effect from such date as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all goods mentioned in the First Schedule to the Tariff Act as amended by this Act or any subsequent Act of Parliament, a regulatory duty of customs which shall be—

- (a) twenty-five per cent of the rate, if any, specified in the said First Schedule read with any notification issued under section 3A or sub-section (1) of section 4 of the Tariff Act; or
- (b) ten per cent of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act, 1962 (52 of 1962),

whichever is higher;

Provided that different dates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1964 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duty of customs leviable under this section in respect of any goods referred to in sub-section (1) shall be in addition to any other duty of customs chargeable on such goods under the Customs Act, 1962 (52 of 1962).

(4) The provisions of the Customs Act, 1962 (52 of 1962) and the rules and regulations made thereunder including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the regulatory duty of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

25. *Amendment of Act 1 of 1949.*—In the Indian Tariff (Amendment) Act, 1949, in sections 4 and 5, for the figures "1963" the figures "1964" shall be substituted.

26. *Amendment of Act 1 of 1944.*—In the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act), in the First Schedule,—

(a) in Item No. 4,—

(1) under "I. *Unmanufactured tobacco*—"

for the entry in the third column against sub-item (5), the entry "One rupee and sixty naye paise" shall be substituted;

(2) under "II. *Manufactured tobacco*—"

for the entries in the third column against sub-items (2)(i), (2)(ii), (2)(iii), (2)(iv) and (2)(v), the entries "Thirty-four rupees", "Seventeen rupees", "Eight rupees and fifty naye paise", "Four rupees and twenty naye paise" and "Two rupees" shall, respectively, be substituted;

(b) in Item No. 6, for the entry in the third column, the entry "Four hundred and ten rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall be substituted;

(c) in Item No. 7, for the entry in the third column, the entry "Two hundred and ten rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall be substituted;

(d) in Item No. 8, for the entries in the third column against sub-items (a) and (b), the entries "Three hundred and ninety rupees per kilolitre at fifteen degrees of Centigrade thermometer" and "Three hundred and seventy rupees per kilolitre at fifteen degrees of Centigrade thermometer" shall, respectively, be substituted;

(e) in Item No. 9, for the entry in the third column, the entry "One hundred and ninety-five rupees per metric tonne" shall be substituted;

(f) in Item No. 13, for the entry in the third column, the entry "Thirty-two rupees per quintal" shall be substituted;

(g) in Item No. 14,—

(1) in sub-item I (4)(ii), the words "and ready mixed paints, sold by weight" occurring in the second column shall be omitted;

(2) in sub-item I (4)(iii), the words "sold by volume" occurring in the second column shall be omitted;

(3) for the entries in the third column against sub-items I (1)(ii), I (3)(ii), I (3)(iv), I (4)(i), I (4)(ii), I (4)(iii), II (i) and II (ii), the entries "Seventy-five naye paise per kilogram", "Thirty rupees and fifty naye paise per quintal", "One rupee and five naye paise per litre", "Seventy-five naye paise per kilogram", "Nineteen rupees and fifty naye paise per quintal", "Sixty-five naye paise per litre", "Thirty-five naye paise per litre" and "One rupee and fifty naye paise per litre" shall, respectively, be substituted;

(h) in Item No. 15, for the entries in the third column against sub-items I (1)(i), I (1)(ii), I (2), I (3), II (i) and II (ii), the entries "Fifteen rupees and fifty naye paise per quintal", "Eighteen rupees per quintal", "Thirty-seven rupees and fifty-five naye paise per quintal", "Thirty-seven rupees and fifty-five naye paise per quintal", "Thirteen rupees and twenty-five naye paise per quintal" and "Fifteen rupees and fifty naye paise per quintal" shall, respectively, be substituted;

(i) in Item No. 17, for the entry in the third column against sub-item (5), the entry "Thirty-five naye paise per kilogram" shall be substituted;

- (j) in Item No. 26A, for the entries in the third column against sub-items (1) and (2), the entries "Three hundred rupees per metric tonne" and "Five hundred rupees per metric tonne" shall, respectively, be substituted;
- (k) in Item No. 26AA, sub-item (i) shall be renumbered as (ia) thereof and before the sub-item (ia) as so renumbered, the following sub-item shall be inserted, namely:—

"(i) Semi-finished steel including blooms, billets, slabs, sheet bars, tin bars and hoe bars. Thirty rupees per metric tonne plus the excise duty for the time being leviable on steel ingots."

27. *Special duty of excise on certain goods.*—(1) When goods of the description mentioned in this section chargeable with a duty of excise under the First Schedule to the Central Excises Act, as amended by this Act or any subsequent Act of Parliament or under that Schedule read with any notification of the Central Government for the time being in force, are assessed to duty, there shall be levied and collected—

- (a) as respects goods comprised in Items Nos. 6, 8, 9, 14D, 17(3), 22A, 23A except sub-item (1) thereof, 23B, 28, 29, 31 except sub-item (1) thereof and 32 of that Schedule, a special duty of excise equal to 10 per cent of the total amount so chargeable on such goods;
- (b) as respects goods comprised in Items Nos. 2, 3(1), sub-items I, II (2) and II(3) of Item No. 4, Items Nos. 13, 14, 14F, 15, 15A, 15B, 16, 16A, 17 except sub-item (3) thereof, 18A(2), 21, 22, 23, 23A(1), 27, 30, 31(1), 33, sub-items (1) and (4) of Item No. 34 and Item No. 37 of that Schedule, a special duty of excise equal to 20 per cent of the total amount so chargeable on such goods; and
- (c) as respects goods comprised in Items Nos. 4(II)(1), 18, 18A(1), 18B, 20, 29A, 33A, sub-items (2) and (3) of Item No. 34 and radiograms comprised in Item No. 37A of that Schedule, a special duty of excise equal to 33-1/3 per cent of the total amount so chargeable on such goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1964 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force and such special duties shall be levied for purposes of the Union and the proceeds thereof shall not be distributed among the States.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the duty of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules.

28. *Regulatory duty of excise.*—(1) There shall be levied and collected, with effect from such date as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all goods mentioned in the First Schedule to the Central Excises Act as amended by this Act or any subsequent Act of Parliament,

a regulatory duty of excise which shall be ten per cent of the value of the goods as determined in accordance with the provisions of section 4 of the Central Excises Act:

Provided that different dates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1964, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force and such regulatory duties shall be levied for purposes of the Union and the proceeds thereof shall not be distributed among the States.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the regulatory duty of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

29. *Discontinuance of salt duty.*—For the year beginning on the first day of April, 1963, no duty under the Central Excises Act, or the Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

30. *Amendment of Act 16 of 1955.*—In the Schedule to the Medicinal and Toilet Preparations (Excise Duties) Act, 1955,—

- (a) in Item No. 1, in the column relating to "Rate of duty" for the words "Ten per cent *ad valorem*", the words "Rupee one and ten naye paise per litre of the strength of London proof spirit or ten per cent *ad valorem*, whichever is higher", shall be substituted;
- (b) in Item No. 2—
- (1) in the column relating to "Description of dutiable goods", the words "which are prepared by distillation or to which alcohol has been added, and" shall be omitted.
  - (2) in the column relating to "Rate of duty" the words "or ten per cent *ad valorem*, whichever is higher" shall be inserted at the end;
- (c) in Item No. 3, after sub-item (ii), the following item shall be inserted, namely:—

"(iii) Ayurvedic preparations, Rupees fifteen and fifty containing alcohol, which naye paise per litre of are prepared by distillation or to which alcohol the strength of London has been added, and which proof spirit";

- (d) in item No. 6, in the column relating to "Rate of duty" for the words "Twenty-five per cent *ad valorem*", the words "Rupees three and eighty-five naye paise per litre of the strength of London proof spirit or twenty-five per cent *ad valorem*, whichever is higher" shall be substituted.

31. *Amendment of Act 6 of 1898.*—For the First Schedule to the Indian Post Office Act, 1898 the following Schedule shall be substituted, namely:—

## "THE FIRST SCHEDULE

## INLAND POSTAGE RATES

(See section 7)

## Letters

For a weight not exceeding fifteen grams .. 15 naye paise  
 For every fifteen grams, or fraction thereof, exceeding fifteen grams .. 10 naye paise

## Letter-cards

For a letter-card .. 10 naye paise

## Post cards

Single .. 6 naye paise  
 Reply .. 12 naye paise

## Book, Pattern and Sample packets

For the first fifty grams or fraction thereof .. 10 naye paise  
 For every additional twenty-five grams, or fraction thereof, in excess of fifty grams .. 5 naye paise

## Registered Newspapers

For a weight not exceeding one hundred grams .. 2 naye paise  
 For a weight exceeding one hundred grams and not exceeding two hundred grams .. 3 naye paise  
 For every two hundred grams, or fraction thereof, exceeding two hundred grams .. 3 naye paise  
 In the case of more than one copy of the same issue of a registered newspaper being carried in the same packet—  
 for a weight not exceeding one hundred grams .. 3 naye paise  
 for every additional fifty grams, or fraction thereof, in excess of one hundred grams .. 2 naye paise

Provided that such packet shall not be delivered at any addressee's residence but shall be given to a recognised agent at the Post Office.

## Parcels

For a weight not exceeding four hundred grams .. 60 naye paise  
 For every four hundred grams, or fraction thereof, exceeding four hundred grams .. 60 naye paise "

## THE FIRST SCHEDULE

(See section 2)

## PART I

Income-tax and surcharges on income-tax Paragraph A

(i) In the case of every individual who is married and every Hindu undivided family whose total income does not exceed Rs. 20,000 in either case—

## Rates of Income-tax

Where the individual has no child wholly or mainly dependent on him or where the Hindu undivided family has no minor coparcener	Where the individual has one child wholly or mainly dependent on him or where the Hindu undivided family has one minor coparcener	Where the individual has more than one child wholly or mainly dependent on him or where the Hindu undivided family has more than one minor coparcener
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	Rs.	Rs.	Rs.	
(1) On the first 3,000 of total income		3,300 of total income	3,600 of total income	Nil
(2) On the next 2,000 ..	1,700	..	1,400	3%
(3) On the next 2,500 ..	2,500	..	2,500	7%
(4) On the next 2,500 ..	2,500	..	2,500	10%
(5) On the next 2,500 ..	2,500	..	2,500	12%
(6) On the next 2,500 ..	2,500	..	2,500	15%
(7) On the next 2,500 ..	2,500	..	2,500	20%
(8) On the next 2,500 ..	2,500	..	2,500	23%

(ii) In the case of every individual who is not married and every individual or Hindu undivided family whose total income in either case exceeds Rs. 20,000 and in the case of every unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part

applies:—

	Rs.	
(1) On the first ..	1,000 of total income	Nil
(2) On the next ..	4,000	3%
(3) On the next ..	2,500	7%
(4) On the next ..	2,500	10%
(5) On the next ..	2,500	12%
(6) On the next ..	2,500	15%
(7) On the next ..	2,500	20%
(8) On the next ..	2,500	23%
(9) On the balance of total income ..		25%

Provided that for the purposes of this Paragraph—

- (i) no income-tax shall be payable on a total income which does not exceed the limit specified below;
- (ii) the income tax payable shall in no case exceed half the amount by which the total income exceeds the said limit;
- (iii) the income-tax payable by an individual who is married or a Hindu undivided family whose total income exceeds in either case Rs. 20,000 shall not exceed the aggregate of—
  - (a) the income-tax which would have been payable if the total income had been Rs. 20,000;
  - (b) half the amount by which the total income exceeds Rs. 20,000;

The limit aforesaid shall be—

- (i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—
  - (a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or
  - (b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;
- (ii) Rs. 3,000 in every other case.

## Surcharges on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

- (a) a surcharge for purposes of the Union equal to the sum of—
  - (i) two and a half per cent of the amount of income-tax calculated at the average rate of income-tax on the income under the head "Salaries" included in the total income;
  - (ii) five per cent of the amount of income-tax calculated at the average rate of income-tax on the total income as reduced by the income under the head "Salaries" included therein; and
- (iii) where the earned income included in the total income exceeds Rs. 1,00,000, ten per cent of the difference between the amount of income-tax which would have been payable on the whole of the earned income included in the total income if such earned income had been the total income and the amount of income-tax payable on a total income of Rs. 1,00,000;
- (b) a special surcharge at fifteen per cent of the difference between the amount of income-tax on the total income and the amount of income-tax on the whole of the earned income, if any, included in the total income if such earned income had been the total income;

Provided that the surcharge for purposes of the Union and the special surcharge, both together, shall not exceed half the amount by which the total income as reduced by the amount of income-tax payable by the assessee exceeds the limit specified below:—

The limit aforesaid shall be—

- (i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—
    - (a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or
    - (b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;
  - (ii) Rs. 3,000 in every other case;
  - (c) an additional surcharge for purposes of the Union calculated on the amount of the residual income at the following rates, namely:—
    - (i) On the first Rs. 6,000 of the residual income 4%
    - (ii) On the next Rs. 9,000 of the residual income 6%
    - (iii) On the next Rs. 12,000 of the residual income 8%
    - (iv) On the next Rs. 15,000 of the residual income 9%
    - (v) On the balance of the residual income 10%
- Provided that—
- (i) no addition surcharge shall be levied where the residual income does not exceed the limit specified below;
  - (ii) the additional surcharge shall in no case exceed the aggregate of the following sums, namely:—
    - (a) an amount calculated at three per cent on so much of the amount of residual income as does not exceed the limit specified below;
    - (b) one half of the amount by which the residual income exceeds the limit specified below.

The limit aforesaid shall be—

- (i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—
  - (a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or
  - (b) that has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;
- (ii) Rs. 3,600 in the case of every individual who has more than one child wholly or mainly dependent on him or in the case of every Hindu undivided family having more than one minor coparcener;
- (iii) Rs. 3,300 in the case of every individual who has one child wholly or mainly dependent on him or in the case of every Hindu undivided family having one minor coparcener;
- (iv) Rs. 3,000 in every other case.

*Explanation.*—for the purposes of this Paragraph, in the case of every Hindu undivided family governed by the *Mitakshara* law, a son shall be deemed to be entitled to claim partition of the coparcenary property against his father or grandfather notwithstanding any custom to the contrary.

#### Paragraph B

In the case of every local authority,—

<i>Rate of income-tax</i>	
On the whole of the total income	30%
<i>Surcharge on income-tax</i>	

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of five per cent of the amount of income-tax.

#### Paragraph C

In every case in which under the provisions of the Income-tax Act, income tax is to be charged at the maximum rate,—

<i>Rate of income-tax</i>	
On the whole of the total income	25%
<i>Surcharges on income-tax</i>	

The amount of income-tax computed at the rate hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under:—

- (a) a surcharge of purposes of the Union of five per cent of the amount of income-tax;
- (b) a special surcharge of fifteen per cent of the amount of income-tax; and
- (c) an additional surcharge for purposes of the Union calculated on the amount of the residual income at the rates as specified in Paragraph A of this Part.

#### Paragraph D

In the case of every company,—

<i>Rate of income-tax</i>	
On the whole of the total income	25%

#### Paragraph E

In the case of every registered firm,—

#### Rates of income-tax

		Where the firm has four or less partners	Where the firm has five or more partners
		as on the last day of the previous year	
(1) On the first Rs. 25,000 of total income	..	Nil	Nil
(2) On the next Rs. 15,000 of total income	..	5%	7%
(3) On the next Rs. 20,000 of total income	..	6%	8%
(4) On the next Rs. 40,000 of total income	..	7%	9%
(5) On the next Rs. 50,000 of total income	..	8%	10%
(6) On the balance of total income	..	10%	12%

#### Surcharge on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union equal to the sum of—

- (i) twenty per cent of the amount of income-tax payable by the firm on its income from any business carried on by it calculated at the rate of income-tax applicable to its total income; and
- (ii) ten per cent of the amount of income-tax payable by it on its income from all sources other than from any business carried on by it calculated at the rate of income-tax applicable to its total income.

## PART II

*Super-tax and surcharges on super-tax**Paragraph A*

In the case of every individual, Hindu undivided family, unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies, —

*Rates of super-tax*

(1) On the first Rs. 20,000 of total income	Nil
(2) On the next Rs. 5,000 of total income	8%
(3) On the next Rs. 5,000 of total income	18%
(4) On the next Rs. 10,000 of total income	22%
(5) On the next Rs. 10,000 of total income	32%
(6) On the next Rs. 10,000 of total income	40%
(7) On the next Rs. 10,000 of total income	45%
(8) On the balance of total income	47.5%

*Surcharges on super-tax*

The amount of super-tax computed at the rates hereinbefore specified shall be increased by the aggregate of the surcharges calculated as under: —

- (a) A surcharge for purposes of the Union equal to the sum of —
  - (i) two and a half per cent of the amount of super-tax calculated at the average rate of super-tax on the income under the head "Salaries" included in the total income;
  - (ii) five per cent of the amount of super-tax calculated at the average rate of super-tax on the total income as reduced by the income under the head "Salaries" included therein; and
  - (iii) where the earned income included in the total income exceeds Rs. 1,00,000, ten per cent of the difference between the amount of super-tax which would have been payable on the whole of the earned income included in the total income, if such earned income had been the total income and the amount of super-tax payable on a total income of Rs. 1,00,000;
- (b) A special surcharge at fifteen per cent of the difference between the amount of super-tax on the total income and the amount of super-tax on the whole of the earned income, if any, included in the total income, if such earned income had been the total income.

*Paragraph B*

In the case of every local authority, —

*Rate of super-tax*

On the whole of the total income	16%
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*Surcharge on super-tax*

The amount of super-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of 12-1/2 per cent of the amount of super-tax.

*Paragraph C*

In the case of every association of persons being a co-operative society as defined in clause (19) of section 2 of the Income-tax Act, —

*Rates of super-tax*

(1) On the first Rs. 25,000 of total income	Nil
(2) On the balance of total income	16%

*Surcharge on super-tax*

The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union of 12-1/2 per cent of the amount of super-tax.

*Paragraph D*

In the case of every company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956), —

*Rates of super-tax*

On the whole of the total income	55%
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Provided that —

- (i) a rebate at the rate of 50 per cent on so much of the total income as consists of dividends from any Indian company; and at the rate of 35 per cent on the balance of the total income shall be allowed in the case of any company which —
    - (a) in respect of its profits liable to tax under the Income-tax Act for the assessment year commencing on the 1st day of April, 1963, has made the prescribed arrangements for the declaration and payment within India of the dividends payable out of such profits in accordance with the provisions of section 194 of that Act; and
    - (b) is such a company as is referred to in section 108 of the Income-tax Act with a total income not exceeding Rs. 25,000;
  - (ii) a rebate at the rate of 50 per cent on so much of the total income as consists of dividends from a subsidiary Indian company formed and registered before the 1st day of April, 1961; at the rate of 45 per cent on so much of the total income as consists of dividends from any other Indian company; and at the rate of 30 per cent on the balance of the total income shall be allowed in the case of any company which satisfies condition (a) but not condition (b) of the preceding clause;
  - (iii) a rebate at the rate of 50 per cent on so much of the total income as consists of dividends from a subsidiary Indian company formed and registered before the 1st day of April, 1961; at the rate of 30 per cent on so much of the total income as consists of dividends from an Indian company, not being a subsidiary company, formed and registered before the 1st day of April, 1959; at the rate of 45 per cent on so much of the total income as consists of dividends from any other Indian company formed and registered on or after the 1st day of April, 1959; at the rate of 30 per cent on so much of the total income as consists of royalties received from an Indian concern in pursuance of an agreement made by it with the Indian concern on or after the 1st day of April, 1961 and which has been approved by the Central Government; and at the rate of 17 per cent on the balance of the total income shall be allowed in the case of any company not entitled to a rebate under either of the preceding clauses:
- Provided further that—
- (i) the amount of the rebate under clause (i) or clause (ii) of the preceding proviso shall be reduced by the sum, if any, equal to the amount or the aggregate of the amounts, as the case may be, computed as hereunder: —
  - (a) on the aggregate of the sums at the rate of 100% computed in the manner provided in clause (i) of the

second proviso to Paragraph D of Part II of the First Schedule to the Finance (No. 2) Act, 1962 (20 of 1962) as reduced by the amount, if any, which is deemed to have been taken into account, in accordance with clause (ii) of the said proviso, for the purpose of reducing the rebate mentioned in clause (i) of the said proviso to nil; and

(b) on the amount representing the face value of any bonus shares or the amount of any bonus issued to its shareholders during the previous year with a view to increasing the paid-up capital: at the rate of 12½%

(ii) where the sum arrived at in accordance with clause (i) of this proviso exceeds the amount of the rebate arrived at in accordance with clause (i) or clause (ii), as the case may be, of the preceding proviso, only so much of the amounts of reduction mentioned in sub-clauses (a) and (b) of clause (i) of this proviso as is sufficient, in that order, to reduce the rebate to nil shall be deemed to have been taken into account for the purpose:

Provided further that the super-tax payable by a company, the total income of which exceeds rupees twenty-five thousand, shall not exceed the aggregate of—

- (a) the super-tax which would have been payable by the company if its total income had been rupees twenty-five thousand; and  
(b) half the amount by which its total income exceeds rupees twenty-five thousand.

**Explanation I.**—For the purposes of this paragraph, where any portion of the profits and gains of a company is not included in its total income by reason of such portion being agricultural income, the amount representing the face value of any bonus shares and the amount of any bonus issued to its shareholders shall each be deemed to be such proportion thereof as the average of the total income of the company in the five previous years in which the company has been in receipt of taxable income immediately preceding the relevant previous year bears to the average of its total profits and gains (excluding capital receipts) for the preceding five years aforesaid, reduced by such allowances as may be admissible under the Income-tax Act which have not been taken into account by the company in its profit and loss accounts for the preceding five years aforesaid.

**Explanation II.**—For the purposes of this paragraph and part III of the Schedule, a company shall be deemed to be a subsidiary of another company if that other company holds more than half in nominal value of the equity share capital of the first mentioned company.

#### Paragraph E

In the case of the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956),—

#### Rate of super-tax

On the whole of its profits and gains from life insurance business .. .. . 22.5%

#### PART III

#### Rates for deduction of tax at source in certain cases

In every case in which under the provisions of sub-section (2) of section 192 and sections 193 to 195 of the

Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to deduction at the following rates:—

	Income-tax			Super-tax	
	Rate of income-tax	Rates of surcharges	Special surcharge for purposes of the Union	Rate of super-tax	Rates of surcharges
1. In the case of a person other than a company—					
(a) in every case, on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government), and	25%	1.25%	3.75%		
(b) in addition, where the person is non-resident in India, on the whole income.					Super-tax and surcharges on super-tax in accordance with the provisions of clause (b) of sub-section (1) of section 113 of the Income-tax Act.
				Rate of income-tax	Rate of super-tax
2. In the case of a company—					
(a) in every case—					
(i) on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government); and				25%	
(ii) on the whole income (excluding dividends payable by an Indian company referred to in clause (iv) of sub-section (1) of section 99 of the Income-tax Act); and					5%
(b) in addition, where the company is neither an Indian company nor a company which has made the prescribed arrangements for the declaration and payment of dividends within India,—					
(i) on the income from dividends (excluding dividends payable by an Indian company referred to in clause (iv) of sub-section (1) of section 99 of the Income-tax Act)—					
(1) on dividends payable by any of its subsidiary Indian companies formed and registered before the 1st day of April, 1961					Nil
(2) on dividends payable by an Indian company, not being a subsidiary company, formed and registered before the 1st day of April, 1959					20%

	Rate of income- tax	Rate of super- tax
(3) on dividends payable by any other Indian company formed and registered on or after the 1st day of April, 1959 ..		5%
(ii) on the income from royalties payable by an Indian concern in pursuance of an agreement which is made by it with the Indian concern on or after the 1st day of April, 1961 and which has been approved by the Central Government ..		20%
(iii) on any other income ..		33%

## THE SECOND SCHEDULE

[See section 22 (2)]

In the first Schedule to the Tariff Act,—

(i) in Item No. 24, for the entry in the fourth column, the entry "Rs. 60.00 per kilogram" shall be substituted;

(ii) in Item No. 24 (3), for the entry in the fourth column and the entry in the sixth column, the entry "Rs. 50.00 per kilogram" shall be substituted;

(iii) in Item No. 28A, for the entry in the second column the following entry shall be substituted, namely:—

"Patent or proprietary medicines not containing alcohol, opium, Indian hemp or other narcotic drugs or other narcotics other than those medicines which are exclusively Ayurvedic, Unani, Sidha or Homoeopathic.

*Explanation.* 'Patent or proprietary medicines' means any drug or medicinal preparation, in whatever form, for use in the internal or external treatment of, or for the prevention of ailments in, human being or animals, which bears either on itself or on its container or both, a name which is not specified in a monograph in a Pharmacopoeia, Formulary or other publications notified in this behalf by the Central Government in the Official Gazette, or which is a brand name, that is, a name or a registered trade mark under the trade and Merchandise Marks Act, 1958 (43 of 1958), or any other mark such as a symbol, monogram, label, signature of invented words or any writing which is used in relation to that medicine for the purpose of indicating or so as to indicate a connection in the course of trade between the medicine and some person having the right either as proprietor or otherwise to use the name or mark with or without any indication of the identity of that person."

(iv) in Item No. 29, for the entry in the fourth column, the entry "Rs. 12.00 per 100 linear metres" shall be substituted;

(v) in Items Nos. 30, 73, 73 (1), 77 and 77(5), for the entries against each of them in the fourth and fifth columns, the entries "60 per cent *ad valorem*" and "50 per cent *ad valorem*" shall, respectively, be substituted;(vi) in Item No. 30(1), for the entries in the fourth column against sub-items (a), (b) (i) and (b)(ii), the entry "50 per cent *ad valorem*" shall be substituted;(vii) in Item No. 39, for the entry in the fourth column, the entry "20 per cent *ad valorem*" shall be substituted;(viii) in Items Nos. 63(1), 63 (20A) and 63(35), for the entry against each of them in the fourth column, the entry "30 per cent *ad valorem*" shall be substituted;

(ix) in Item No. 63(2),

(1) for the entry in the fourth column against

sub-item (a) (i), the following entry shall be substituted, namely:—

"Rs. 22.00 per tonne or 10 per cent *ad valorem*, which ever is higher, plus 5 per cent *ad valorem*";

(2) for the entry in the fourth column against sub-item (a) (ii), the following entry shall be substituted, namely:—

"Rs. 64.00 per tonne plus 5 per cent *ad valorem*";

(3) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"Rs. 60.00 per tonne plus 5 per cent *ad valorem*";

(x) in Item No. 63(3),—

(1) for the entry in the fourth column against sub-item (i), the following entry shall be substituted, namely:—

"Rs. 31.00 per tonne or 10 per cent *ad valorem*, whichever is higher, plus 5 per cent *ad valorem*";

(2) for the entry in the fourth column against sub-item (ii), the following entry shall be substituted, namely:—

"Rs. 60.00 per tonne or 20 per cent *ad valorem*, whichever is higher, plus 5 per cent *ad valorem*";

(xi) in Item No. 63(9), for the entry in the fourth column the following entry shall be substituted, namely:—

"Rs. 60.00 per tonne plus 10 per cent *ad valorem*";

(xii) in Item No. 63(10),—

(1) for the entry in the fourth column against sub-item (i), the entry "Rs. 80.00 per tonne plus 5 per cent *ad valorem*" shall be substituted;(2) for the entry in the fourth column against sub-item (ii), the entry "Rs. 100.00 per tonne plus 5 per cent *ad valorem*" shall be substituted;

(xiii) in Item No. 63 (12), in the entry in the second column, for the words "Iron or steel bolts and nuts", the words "Iron or steel bolts and nuts, not otherwise specified," shall be substituted;

(xiv) in Item No. 63(14A), for the figures "50" and "40" in the fourth and fifth columns, the figures "55" and "45" shall, respectively, be substituted;

(xv) in Item No. 63(17), for the words and figure "plus 5 per cent *ad valorem*" in the entry against each of the sub-items (i) and (ii) in the fourth column, the words and figures "plus 10 per cent *ad valorem*" shall be substituted;

(xvi) in Item No. 63(18), for the figures "20" and "40" in the fourth column against sub-items (a) and (b), the figures "25" and "45" shall, respectively, be substituted;

(xvii) in Item No. 63(19),—

(1) for the entry in the fourth column against sub-item (a)(i), the following entry shall be substituted, namely:—

"Rs. 15.00 per tonne or 10 per cent *ad valorem*, whichever is higher, plus 5 per cent *ad valorem*";

(2) for the entry in the fourth column against sub-item (a)(ii), the following entry shall be substituted, namely:—

"Rs. 40.00 per tonne plus 5 per cent *ad valorem*";

(3) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—



"Rs. 60.00 per tonne *plus* 5 per cent *ad valorem*";  
in Item No. 63 (20), —

for the entry in the fourth column against sub-item (a)(1)(i), the following entry shall be substituted, namely:—

"Rs. 29.00 per tonne or 10 per cent *ad valorem*, whichever is higher, *plus* 5 per cent *ad valorem*";

for the entry in the fourth column against sub-item (a)(1)(ii), the following entry shall be substituted, namely:—

"Rs. 50.00 per tonne *plus* 5 per cent *ad valorem*";  
for the entry in the fourth column against sub-item (a)(2)(i), the following entry shall be substituted, namely:—

"Rs. 30.00 per tonne or 10 per cent *ad valorem*, whichever is higher, *plus* 5 per cent *ad valorem*";

for the entry in the fourth column against sub-item (a)(2)(ii), the following entry shall be substituted, namely:—

"Rs. 60.00 per tonne *plus* 5 per cent *ad valorem*";  
for the entry in the fourth column against sub-item (b)(1)(i), the following entry shall be substituted, namely:—

"Rs. 32.00 per tonne or 10 per cent *ad valorem*, whichever is higher, *plus* 5 per cent *ad valorem*";

for the entry in the fourth column against sub-item (b)(1)(ii), the following entry shall be substituted, namely:—

"Rs. 55.00 per tonne *plus* 5 per cent *ad valorem*";  
for the entry in the fourth column against sub-item (b)(2)(i), the following entry shall be substituted, namely:—

"Rs. 32.00 per tonne or 10 per cent *ad valorem*, whichever is higher, *plus* 5 per cent *ad valorem*";

for the entry in the fourth column against sub-item (b)(2)(ii), the following entry shall be substituted, namely:—

"Rs. 64.00 per tonne *plus* 5 per cent *ad valorem*";

Item No. 63(21)A,—

for the entry in the fourth column against sub-item (a)(i), the following entry shall be substituted, namely:—

"Rs. 10.00 per tonne or 15 per cent *ad valorem* whichever is higher";

for the entry in the fourth column against sub-item (a)(ii), the following entry shall be substituted, namely:—

"Rs. 10.00 per tonne or 25 per cent *ad valorem*, whichever is higher";

for the entry in the fourth column against sub-item (b)(i), the following entry shall be substituted, namely:—

"Rs. 31.00 per tonne or 10 per cent *ad valorem*, whichever is higher";

for the entry in the fourth column against sub-item (b)(ii), the following entry shall be substituted, namely:—

"Rs. 60.00 per tonne *plus* 5 per cent *ad valorem*";  
Item No. 63(24), for the figures "55" and "45" in the fourth and fifth columns, the figures "60" and "50" shall, respectively, be substituted;

Item No. 63(25),—

for the entry in the fourth column against sub-item (i), the following entry shall be substituted, namely:—

"30 per cent *ad valorem*";

(2) for the entry in the fourth column against sub-item (ii), the following entry shall be substituted, namely:—

"30 per cent *ad valorem plus* Rs. 35.00 per tonne";

(xxii) in Item No. 63(28), for the figures "55" in the fourth column, the figures "60" shall be substituted;

(xxiii) in Item No. 63(31),

(1) for the entry in the fourth column against sub-item (a), the following entry shall be substituted, namely:—

"Rs. 29.00 per tonne or 10 per cent *ad valorem*, whichever is higher, *plus* 5 per cent *ad valorem*";

(2) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"Rs. 50.00 per tonne *plus* 5 per cent *ad valorem*";

(xxiv) in Item No. 63 (32),—

(1) for the entry in the fourth column against sub-item (a), the following entry shall be substituted, namely:—

"Rs. 50.00 per tonne *plus* 5 per cent *ad valorem*";

(2) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"Rs. 84.00 per tonne *plus* 5 per cent *ad valorem*";

(xxv) in Item No. 71,—

(1) for the entry in the fourth column against sub-item (a), the following entry shall be substituted, namely:—

"60 per cent *ad valorem*";

(2) for the entry in the fourth column against sub-item (b), the following entry shall be substituted, namely:—

"100 per cent *ad valorem*";

(xxvi) in Items Nos. 72, 72(1), 72(2) and 72(3), for the entry against each of them in the fourth column, the entry "20 per cent *ad valorem*" shall be substituted;

(xxvii) in Item No. 75, for the figures "35" in the fourth column, the figures "50" shall be substituted;

(xxviii) in Items Nos. 75(11) and 75(12) for the figures "25" against each of them in the fourth column, the figures "50" shall be substituted; and

(xxix) in Item No. 87, for the figures "50" in the fourth column, the figures "60" shall be substituted.

Simla-4, the 16th June, 1964

No. 1-1/64-LR. —The following Acts recently passed by the Parliament of India and published in the Gazette of India, Extraordinary, Part II, Section I, dated the 28th, 29th April, 2nd, 5th, 12th, May, 1964 respectively are hereby republished in the Himachal Pradesh Government Rajpatra for the information of general public:—

1. The Finance Act, 1964 (5 of 1964).
2. The Companies (Profits) Surtax Act, 1964 (7 of 1964).
3. The Drugs and Cosmetics (Amendment) Act, 1964 (13 of 1964).
4. The East Punjab Ayurvedic and Unani Practitioners' (Delhi Amendment) Act, 1964 (15 of 1964).
5. The Dakshina Bharat Hindi Prachar Sabha Act, 1964 (14 of 1964).

S. R. MAHANTAN,  
Under Secretary (Judicial).

Assented to on 23rd April, 1964

THE FINANCE ACT, 1964  
(Act No. 5 of 1964)AN  
ACT

to give effect to the financial proposals of the Central Government for the financial year, 1964-65.

Enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Finance Act, 1964.

(2) Save as otherwise provided in this Act, section 3 to 55 shall be deemed to have come into force on the 1st day of April, 1964.

2. *Income-tax and super-tax.*—(1) Subject to the provisions of sub-sections (2), (3), (4) and (5), for the assessment year commencing on the 1st day of April, 1964,—

(a) income-tax shall be charged at the rates specified in Part I of the First Schedule and, in the cases to which Paragraphs A, B, C and E of that Part apply, shall be increased by a surcharge for purposes of the Union calculated in either case in the manner provided therein;

(b) super-tax shall, for the purposes of section 95 of the Income-tax Act, 1961 (43 of 1961) (hereinafter referred to as the Income-tax Act), be charged at the rates specified in Part II of the First Schedule, and, in the cases to which Paragraphs A, B and C of that Part apply, shall be increased by surcharge for purposes of the Union calculated in the manner provided therein.

(2) In making any assessment for the assessment year commencing on the 1st day of April, 1964,—

(a) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries", the income-tax payable by the assessee on that part of his total income which consists of such inclusion shall be an amount bearing to the total amount of income-tax payable according to the rates applicable under the operation of the Finance Act, 1963 (13 of 1963), on his total income the same proportion as the amount of such inclusion bears to his total income;

(b) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" on which super-tax has been or might have been deducted under the provisions of sub-section (1) of section 192 of the Income-tax Act, the super-tax payable by the assessee on that portion of his total income which consists of such inclusion shall be an amount bearing to the total amount of super-tax payable according to the rates applicable under the operation of the Finance Act, 1963 (13 of 1963), on his total income the same proportion as the amount of such inclusion bears to his total income.

(3) In making any assessment for the assessment year commencing on the 1st day of April, 1964, where the total income of a company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956), includes any profits and gains from life insurance business, the super-tax payable by it shall be the aggregate of the tax calculated—

(i) on the amount of profits and gains from life insurance business so included, at the rate applicable to the Life Insurance Corporation of India in accordance with Paragraph E of Part II of the First Schedule; and

(ii) on the remaining part of its total income, at the rate applicable to the company on its total income.

(4) In cases to which Chapter XII of the Income-tax Act applies, the tax chargeable shall be determined as provided in that Chapter, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter, as the case may be.

(5) (a) In respect of any assessment for the assessment year commencing on the 1st day of April, 1964—

(i) an assessee being an Indian company or any other company which has made the prescribed arrangement for the declaration and payment of dividends within India or an assessee (other than a company) whose total income includes any profits and gains derived from the export of any goods or merchandise out of India, shall be entitled to a deduction, from the amount of income-tax and super-tax with which he is chargeable, of an amount equal to the income-tax and super-tax calculated respectively at one-tenth of the average rate of income-tax and of the average rate of super-tax on the amount of such profits and gains included in the total income;

(ii) where an assessee of the type referred to in sub-clause (i) engaged in the manufacture of any articles in an industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951) has exported after the 28th day of February, 1963, such articles out of India, he shall be entitled, in addition to the deduction of tax

referred to in sub-clause (i), to a further deduction, from the amount of tax with which he is chargeable for the assessment year, of an amount equal to the income-tax and super-tax calculated respectively at the average rate of income-tax and the average rate of super-tax on an amount equal to two per cent of the sale proceeds receivable by him in respect of such export;

(iii) where an assessee of the type referred to in sub-clause (i) engaged in the manufacture of any articles in an industry specified in the said First Schedule has sold after the 28th day of February, 1963, such articles to any other person in India who himself has exported them out of India and evidence is produced before the Income-tax Officer of such articles having been so exported, the assessee shall be entitled to a deduction from the amount of income-tax and super-tax with which he is chargeable for the assessment year of an amount equal to the income-tax and super-tax calculated respectively at the average rate of income-tax and the average rate of super-tax on a sum equal to two per cent of the sale proceeds receivable by him in respect of such articles from the exporter.

(b) The total of the deductions under this sub-section shall in no case exceed the amount of income-tax and super-tax otherwise payable by the assessee.

(c) Nothing contained in sub-clause (ii) and sub-clause (iii) of clause (a) shall apply,—

(i) in relation to—

- (1) fuels,
- (2) fertilisers,
- (3) photographic raw film and paper,
- (4) textiles (including those dyed, printed, or otherwise processed) made wholly or in part of jute, including jute twine and rope,
- (5) newsprint,
- (6) pulp—wood pulp, mechanical, chemical, including dissolving pulp,
- (7) sugar,
- (8) vegetable oils and vanaspathi,
- (9) cement and gypsum products,
- (10) arms and ammunition, and
- (11) cigarettes,

respectively specified in items 2, 18, 20, 23 (2), 24 (2), 24 (5), 25, 28, 35, 37 and 38 of the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951); or

(ii) in relation to textiles specified in items 23 (1), 23 (3), 23 (4) and 23 (5) of that Schedule where such textiles have been exported before the 1st day of March, 1964.

(d) The amount of any profits and gains derived from the export of any goods or merchandise out of India in respect of which deduction of income-tax and super-tax is admissible under sub-clause (i) of clause (a) shall be computed in accordance with the rules made by the Central Board of Direct Taxes in this behalf.

(6) In cases in which tax has to be deducted under sub-section (2) of section 192 and sections 193 to 195 of the Income-tax Act at the rates in force, the deduction shall be made at the rates specified in Part III of the First Schedule.

(7) For the purposes of this section, and of the rates of tax imposed thereby, and of section 3—

(i) the expressions "assessment year", "average rate of income-tax", "average rate of super-tax", "partner", "tax" and "total income" have, unless the context otherwise requires, the meanings respectively assigned to them under clauses (9), (10), (11), (23), (43) and (45) of section 2 of the Income-tax Act;

(ii) the expression "earned income" has the same meaning as in section 2 of the Finance (No. 2) Act, 1962 (20 of 1962).

3. *Annuity deposit.*—(1) Save as otherwise provided in Chapter XXIIA of the Income-tax Act, annuity deposit for the assessment year commencing on the 1st day of April, 1964 shall be made by every person to whom the provisions of that Chapter apply at the rates specified in the Second Schedule.

(2) For the purposes of this section and the Second Schedule, the expressions "adjusted total income", "annuity deposit" and "depositor" have the meanings respectively assigned to them under clauses (1), (5) and (6) of section 280B of the Income-tax Act.

4. *Amendment of section 2.*—In section 2 of the Income-tax Act,—

(a) in clause (18),—

(i) for sub-clause (a), the following sub-clause shall be substituted, namely:—

"(a) if it is a company owned by the Government or the Reserve Bank of India or in which not less than forty per cent of the shares are held (whether singly or taken together) by the Government or the Reserve Bank of India or a corporation owned by that bank; or";

- (ii) in *Explanation 2*, for the words, brackets and figures "any such company as is referred to in sub-clause (2) of clause (iii) of section 109", the words "an Indian company whose business consists wholly in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power" shall be substituted;
- (b) after clause (22), the following clause shall be inserted, namely:—  
 "(22A) 'fair market value', in relation to a capital asset, means—  
 (i) the price that the capital asset would ordinarily fetch on sale in the open market on the relevant date; and  
 (ii) where the price referred to in sub-clause (i) is not ascertainable, such price as may be determined in accordance with the rules made under this Act;"
- (c) in clause (24)—  
 (i) after sub-clause (v), the following sub-clause shall be inserted, namely:—  
 "(va) the value of any benefit or perquisite taxable under clause (iv) of section 28;" ;  
 (ii) after sub-clause (vii), the following sub-clause shall be inserted, namely:—  
 "(viii) any annuity due, or commuted value of any annuity paid, under the provisions of section 280D;"
5. *Amendment of section 9*.—In section 9 of the Income-tax Act, in the *Explanation* to clause (i) of sub-section (1), the proviso to clause (b) shall be omitted.
6. *Amendment of section 10*.—In section 10 of the Income-tax Act,—  
 (i) in clause (4), after the words "in the case of a non-resident", the following words shall be inserted, namely:—  
 "any income from interest on such securities as the Central Government may, by notification in the Official Gazette, specify in this behalf, or";  
 (ii) in clause (6),—  
 (a) in sub-clause (vii) (a), for the words "was approved by the Central Government before the commencement of his service", the words "is approved by the Central Government before the commencement of his service or within one year of such commencement" shall be substituted;  
 (b) after sub-clause (viii), the following sub-clauses shall be inserted, namely:—  
 "(ix) any income chargeable under the head 'Salaries' received by or due to him during the thirty-six months commencing from the date of his arrival in India for service rendered as a professor or other teacher in a University or other educational institution, and where any such individual continues to remain in employment in India after the expiry of the thirty-six months aforesaid and the tax on his income chargeable under the head 'Salaries' is paid by the University or other educational institution concerned to the Central Government, the tax so paid for a period not exceeding twenty-four months following the expiry of the thirty-six months aforesaid, provided in either case the following conditions are fulfilled, namely:—  
 (i) such individual was not resident in any of the four financial years immediately preceding the financial year in which he arrived in India; and  
 (ii) his contract of service is approved by the Central Government—  
 (a) on or before the 1st day of October, 1964, in the case of a professor or other teacher whose service commenced before the 1st day of April, 1964;  
 (b) before the commencement of his service or within one year of such commencement, in any other case;  
 (x) any sum due to or received by him, during the twenty-four months commencing from the date of his arrival in India, for undertaking any research work in India, provided the following conditions are fulfilled, namely:—  
 (a) the research work is undertaken in connection with a research scheme approved in this behalf by the Central Government on or before the 1st day of October of the relevant assessment year; and  
 (b) such sum is payable or paid directly or indirectly by the Government of a foreign State or any institution or association or other body established outside India;" ;
- (iii) in sub-clause (iv) (c) of clause (15), for the words beginning with "in any case" and ending with "its repayment", the following shall be substituted, namely:—  
 "to the extent to which such interest does not exceed the amount of interest calculated at the rate approved by the Central Government in this behalf, having regard to the terms of the loan or debt and its repayment";
- (iv) after clause (26), the following clause shall be inserted, namely:—  
 "(27) any income derived from a business of livestock breeding, or poultry or dairy farming, which is assessable for the assessment year commencing on the 1st day of April, 1965, 1966 or 1967;"
7. *Amendment of section 28*.—In section 28 of the Income-tax Act, after clause (iii) and before *Explanation 1*, the following clause shall be inserted, namely:—  
 "(iv) the value of any benefit or perquisite, whether convertible into money or not, arising from business or the exercise of a profession;"
8. *Amendment of section 33*.—In section 33 of the Income-tax Act,—  
 (i) after sub-section (1), the following sub-section shall be inserted, namely:—  
 "(1A) (a) An assessee who, after the 31st day of March, 1964, acquires any ship which before the date of acquisition by him was used by any other person shall, subject to the provisions of section 34, also be allowed as a deduction a sum by way of development rebate at such rate or rates as may be prescribed, provided that the following conditions are fulfilled, namely:—  
 (i) such ship was not previous to the date of such acquisition owned at any time by any person resident in India;  
 (ii) such ship is wholly used for the purposes of the business carried on by the assessee; and  
 (iii) such other conditions as may be prescribed.  
 (b) An assessee who installs any machinery or plant (other than office appliances or road transport vehicles) which before such installation by the assessee was used outside India by any person shall, subject to the provisions of section 34, also be allowed as a deduction a sum by way of development rebate at such rate or rates as may be prescribed, provided that the following conditions are fulfilled, namely:—  
 (i) such machinery or plant was not used in India at any time previous to the date of such installation by the assessee;  
 (ii) it is imported in India by the assessee from any country outside India;  
 (iii) no deduction on account of depreciation or development rebate in respect of such machinery or plant has been allowed or is allowable under the provisions of the Indian Income-tax Act, 1922 (11 of 1922) or this Act in computing the total income of any person for any period prior to the date of installation of the machinery or plant by the assessee;  
 (iv) such machinery or plant is wholly used for the purposes of the business carried on by the assessee; and  
 (v) such other conditions as may be prescribed.  
 (c) The development rebate under this sub-section shall be allowed as a deduction in respect of the previous year in which the ship was acquired or the machinery or plant was installed or, if the ship, machinery or plant is first put to use in the immediately succeeding previous year, then, in respect of that previous year;" ;  
 (ii) for the words, brackets and figure "under sub-section (1)" wherever they occur, the words, brackets, figures and letter "under sub-section (1) or sub-section (1A)" shall be substituted;  
 (iii) in sub-section (2), for the words "at the rate applicable thereto under that sub-section", the words, brackets, figures and letter "at the rate applicable thereto under sub-section (1) or sub-section (1A), as case may be" shall be substituted;  
 (iv) in clause (b) of sub-section (3), for the words and figures "section 33 and section 34", the words and figures "this section and section 34" shall be substituted;  
 (v) after sub-section (4), the following sub-section shall be inserted, namely:—  
 "(5) The Central Government, if it considers necessary or expedient so to do, may, by notification in the Official Gazette, direct that the deduction allowable under this section shall not be allowed in respect of a ship acquired or machinery or plant installed after such date, not being earlier than three years

(from the date of such notification, as may be specified therein.”.

9. *Amendment of section 37.*—In section 37 of the Income-tax Act, after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) Notwithstanding anything contained in sub-section (1), any expenditure incurred by an assessee after the 31st day of March, 1964 on advertisement or on maintenance of any residential accommodation including any accommodation in the nature of a guest house or in connection with travelling by an employee or any other person (including hotel expenses or allowances paid in connection with such travelling) shall be allowed only to the extent, and subject to such conditions, if any, as may be prescribed.”.

10. *Amendment of section 40.*—In section 40 of the Income-tax Act, in clause (c).—

(1) for sub-clause (iii), the following sub-clause shall be substituted, namely:

“(iii) any expenditure incurred after the 29th day of February, 1964 which results directly or indirectly in the provision of any benefit or amenity or perquisite, whether convertible into money or not, to an employee (including any sum paid by the company in respect of any obligation which but for such payment would have been payable by such employee), to the extent such expenditure exceeds one-fifth of the amount of salary payable to the employee for any period of his employment after the aforesaid date:

Provided that in computing the aforesaid expenditure any payment by way of gratuity or the value of any travel concession or assistance referred to in clause (5) of section 10 or passage moneys or the value of any free or concessional passage referred to in sub-clause (i) of clause (6) of that section or any sum referred to in clause (vii) of sub-section (1) of section 17 or in clause (v) of sub-section (2) of that section or the amount of any compensation referred to in clause (i) or any payment referred to in clause (ii) of sub-section (3) of that section or any payment referred to in clause (iv) or clause (v) or sub-section (1) of section 36 shall not be taken into account.”;

(2) the existing *Explanation* shall be re-numbered as *Explanation 1* and after *Explanation 1* as so re-numbered, the following *Explanation* shall be inserted, namely:—

*Explanation 2.* In sub-clause (iii), the word “salary” shall have the meaning assigned to it in clause (h) of rule 2 of Part A of the Fourth Schedule.”.

11. *Insertion of new section 44A.* In Chapter IV-D of the Income-tax Act, after section 44, the following section shall be inserted, namely:—

“44A. *Special provision for deduction in the case of trade, professional or similar association.*—(1) Notwithstanding anything to the contrary contained in this Act, where the amount received during a previous year by any trade, professional or similar association from its members, whether by way of subscription or otherwise (not being remuneration received for rendering any specific services to such members) falls short of the expenditure incurred by such association during that previous year (not being expenditure deductible in computing the income under any other provision of this Act and not being in the nature of capital expenditure) solely for the purposes of protection or advancement of the common interests of its members, the amount so fallen short (hereinafter referred to as deficiency) shall, subject to the provisions of this section, be allowed as a deduction in computing the income of the association assessable for the relevant assessment year under the head “Profits and gains of business or profession” and if there is no income assessable under that head or the deficiency allowable exceeds such income, the whole or the balance of the deficiency, as the case may be, shall be allowed as a deduction in computing the income of the association assessable for the relevant assessment year under any other head.

(2) In computing the income of the association for the relevant assessment year under sub-section (1), effect shall first be given to any other provision of this Act under which any allowance or loss in respect of any earlier assessment year is carried forward and set off against the income for the relevant assessment year.

(3) The amount of deficiency to be allowed as a deduction under this section shall in no case exceed one-half of the total income of the association as computed before making any allowance under this section.

(4) This section applies only to that trade, professional or similar association the income of which or any part thereof is not distributed to its members except as grants to any association or institution affiliated to it.”.

12. *Amendment of section 45.*—In the Income-tax Act, section 45 shall be re-numbered as sub-section (1) thereof and after sub-section (1) as so re-numbered, the following sub-sections shall be inserted, namely:—

“(2) Notwithstanding anything contained in sub-section (1), every equity shareholder to whom any shares are allotted by the company by way of bonus shall, unless such shares are issued wholly out of the share premium account, be chargeable to income-tax under the head “Capital gains” in respect of such shares on an amount equal to the fair market value of such shares on the date next following the expiry of the period of thirty days from the date of such allotment and such amount shall be deemed to be the income of the previous year in which the date next following the aforesaid period of thirty days falls:

Provided that income-tax shall not be chargeable under this sub-section if such shares are included in the stock-in-trade of the assessee or if such shares were allotted before the 1st day of April, 1964:

Provided further that nothing contained in section 48 shall apply to the income chargeable under the head “Capital gains” under this sub-section.

*Explanation.*—For the removal of doubts, it is hereby declared that income chargeable under the head “Capital gains” under this sub-section shall, for the purposes of this Act, be treated as capital gains relating to capital assets other than short-term capital assets.

(3) Where any shares in respect of which an assessee is chargeable to income-tax under the head “Capital gains” under sub-section (2) are transferred by him before the expiry of the period of thirty days referred to in that sub-section, any profits or gains arising from such transfer shall not be included in his total income.

(4) Save as otherwise provided in sub-section (3) nothing contained in sub-section (2) shall be deemed to preclude the inclusion of any profits and gains arising from the transfer of any shares referred to in that sub-section in the total income of the assessee for any previous year in which such shares are transferred by him.”.

13. *Amendment of section 52.*—In the Income-tax Act, section 52 shall be re-numbered as sub-section (1) thereof and after sub-section (1) as so re-numbered, the following sub-section shall be inserted, namely:—

“(2) Without prejudice to the provisions of sub-section (1), if in the opinion of the Income-tax Officer the fair market value of a capital asset transferred by an assessee as on the date of the transfer exceeds the full value of the consideration declared by the assessee in respect of the transfer of such capital asset by an amount of not less than fifteen per cent of the value so declared, the full value of the consideration for such capital asset shall, with the previous approval of the Inspecting Assistant Commissioner, be taken to be its fair market value on the date of its transfer.”.

14. *Amendment of section 55.*—In section 55 of the Income-tax Act, in sub-section (2), after clause (iii), the following clauses shall be inserted, namely:—

“(iv) where the capital asset, being a share of a company, was allotted to the assessee by way of bonus and the assessee is chargeable to income-tax under the head “Capital gains” in respect of such share under sub-section (2) of section 45 and such asset is transferred after the expiry of thirty days referred to in that sub-section, means the fair market value of the asset on the date next following the expiry of the said thirty days;

(v) where the capital asset, being a share or a stock of a company, became the property of the assessee on—

(a) the consolidation and division of all or any of the share capital of the company into shares of larger amount than its existing shares,

(b) the conversion of any shares of the company into stock,

(c) the reconversion of any stock of the company into shares,

(d) the sub-division of any of the shares of the company into shares of smaller amount, or

(e) the conversion of one kind of shares of the company into another kind,

means the cost of acquisition of the asset calculated with reference to the cost of acquisition of the shares or stock from which such asset is derived.”.

15. *Amendment of section 66.*—In section 66 of the Income-tax Act, for the words and figures “sections 87 and 88”, the words, figures and letter “sections 87, 87A and 88” shall be substituted.

16. *Insertion of new section 69A.*—After section 69 of the Income-tax Act, the following section shall be inserted, namely:—

“69A. *Unexplained money, etc.*—Where in any financial year the assessee is found to be the owner of any money, bullion,

jewellery or other valuable article and such money, bullion, jewellery or valuable article is not recorded in the books of account, if any, maintained by him for any source of income, and the assessee offers no explanation about the nature and source of acquisition of the money, bullion, jewellery or other valuable article, or the explanation offered by him is not, in the opinion of the Income-tax Officer, satisfactory, the money and the value of the bullion, jewellery or other valuable article may be deemed to be the income of the assessee for such financial year."

**17. Amendment of section 86.**—In section 86 of the Income-tax Act, in clause (iii), for the words "income-tax has already been paid by the firm", the words "income-tax is payable by the firm" shall be substituted.

**18. Amendment of section 87.**—In section 87 of the Income-tax Act,—

(i) in sub-section (3),—

(a) to clause (i), the following proviso shall be added, namely:—  
"Provided that such individual has effected an insurance referred to in sub-clause (i) of clause (a) of sub-section (1) prior to the first day of March, 1964 and has paid any sum in the previous year to keep in force such insurance";

(b) in clause (ii), after the words "any other individual", the brackets, words and figure "[including an author, playwright, artist, musician or actor to whom the provisions of clause (i) do not apply]" shall be inserted;

(ii) after sub-section (3), the following sub-section shall be inserted, namely:—

"(4) The amount of income-tax deductible under this section, together with the amount of super-tax deductible under section 99A, shall not in any case exceed half the aggregate of the sums in respect of which the deduction is allowed under this section."

**19. Insertion of new section 87A.**—After section 87 of the Income-tax Act, the following section shall be inserted, namely:—

"87A. *Rebate on educational expenses in certain cases.*—Where an individual, being a resident, who is not citizen of India has expended any sum in the previous year out of his income chargeable to tax for the full-time education of his child wholly, or mainly dependent on him and who is not more than twenty-one years of age at any University, college, school or other educational institution situate in a country outside India, he shall be entitled to a deduction, from the amount of income-tax on his total income with which he is chargeable for any assessment year, of an amount equal to the income-tax calculated at the average rate of income-tax on a sum—

(i) which, in the case of an individual who has one such child, shall not exceed two thousand rupees or twenty-five per cent of his total income, whichever is less; and

(ii) which, in the case of an individual who has more than one such child, shall not exceed four thousand rupees or twenty-five per cent of his total income, whichever is less."

**20. Amendment of section 91.**—In section 91 of the Income-tax Act, in clause (ii) of the *Explanation*, for the words "any relief due under this section", the words "any relief due under this Chapter" shall be substituted.

**21. Amendment of section 99.**—In section 99 of the Income-tax Act, in sub-section (1),—

(i) in clause (i), for the words "super-tax has already been paid by the firm", the words "super-tax is payable by the firm" shall be substituted;

(ii) for clause (iv), the following clause shall be substituted, namely:—

"(iv) if the assessee is a company, any dividend received by it from an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends (including dividends on preference shares) within India;"

**22. Insertion of new sections 99A and 99B.**—In Chapter XI-C of the Income-tax Act, before section 100, the following sections shall be inserted, namely:—

"99A. *Rebate on life insurance premia, annuities and contributions to provident funds, etc.*—Where under the provisions of section 87, an assessee is entitled to a deduction of income-tax in respect of any sum referred to in sub-section (1) of that section, he shall also be entitled, subject to the provisions of sub-section (4) of that section, to a deduction, from the amount of super-tax with which he is chargeable on his total income, of an amount equal to the super-tax calculated at the average rate of super-tax on such sum.

99B. *Rebate of super tax in certain cases.*—Where under the provisions of section 87A, an individual, being a resident,

who is not a citizen of India is entitled to a deduction of income-tax in respect of any sum referred to in that section, he shall also be entitled to a deduction, from the amount of super-tax with which he is chargeable on his total income, of an amount equal to the super-tax calculated at the average rate of super-tax on such sum."

**23. Amendment of section 104.**—In section 104 of the Income-tax Act,—

(i) in sub-section (1), for the words, brackets and figures "sub-section (2) and of sections 105, 106 and 107", the words, figures and letter "this section and of sections 105, 106, 107 and 107A" shall be substituted;

(ii) after sub-section (2), the following sub-sections shall be inserted, namely:—

"(3) If the Central Government is of opinion that it is necessary or expedient in the public interest so to do, it may, by notification in the Official Gazette and subject to such conditions as may be specified therein, exempt any class of companies to which the provisions of this section apply from the operation of this section.

(4) Without prejudice to the provisions of section 108, nothing contained in this section shall apply to—

(a) an Indian company whose business consist wholly or mainly in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power;

(b) an Indian company, the value of whose capital assets, being machinery or plant (other than office appliances or road transport vehicles), as shown in its books on the last date of the relevant previous year is fifty lakhs of rupees or more.

*Explanation.*—For the purposes of clause (a) of this sub-section, the business of a company shall be deemed to consist mainly in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power, if the income attributable to any of the aforesaid activities included in its total income for the relevant previous year is not less than fifty-one per cent of such total income."

**24. Amendment of section 106.**—To section 106 of the Income-tax Act, the following proviso shall be added, namely:—

"Provided that the period of limitation prescribed by this section shall not apply in a case where the company has made an application to the Board under section 107A."

**25. Amendment of section 107.**—In section 107 of the Income-tax Act, for the words "No order shall be made", the words, brackets, figures and letter "Except in cases where a decision is given by the Board under sub-section (4) of section 107A, no order shall be made" shall be substituted.

**26. Insertion of new section 107A.**—After section 107 of the Income-tax Act, the following section shall be inserted, namely:—

"107A. *Reduction of minimum distribution in certain cases.*—(1) If any company to which the provisions of section 104 apply (not being an investment company) considers that, having regard to the current requirements for the development of its business, it would not be possible or advisable for it to declare or pay a dividend of an amount larger than that already declared or paid or proposed to be declared or paid by it, it may make an application to the Board for reduction of the amount of the minimum distribution required under this Chapter.

(2) Every application under sub-section (1) shall be in the prescribed form and shall be verified in the prescribed manner and shall be made within the period of twelve months referred to in sub-section (1) of section 104 or, where the Income-tax Officer has served on the company a notice under sub-section (1) of section 105 of his intention to make an order under section 104, within thirty days of the receipt of such notice.

(3) Every application under sub-section (1) shall be accompanied by a fee of one hundred rupees.

(4) If the Board is satisfied that a distribution equal to the statutory percentage of the distributable income of the company concerned would be unreasonable, it may reduce the amount of minimum distribution required of the company under this Chapter by such amount, not exceeding twenty per cent of the statutory percentage of its distributable income, as it may consider fit and further determine the period within which such distribution shall be made.

(5) The Board shall not reject an application made under sub-section (1) without giving the company concerned an opportunity of being heard and its decision shall be final as respects matters concluded by it.

(6) Where an application is made by the company after receipt of a notice from the Income-tax Officer under sub-section

(1) of section 105 and a further distribution is made in accordance with the decision thereon of the Board, such further distribution shall not be taken into account in deciding whether the provisions of section 104 apply in respect of the previous year in which the further distribution is made.

- (7) Where an application is made by a company under this section, the Income-tax Officer shall not make any order under section 104 until the decision is given by the Board on that application.

Provided that where a company is required to make a distribution or further distribution of its profits and gains in accordance with the decision of the Board and fails to make such distribution or further distribution within the period determined thereunder, the Income-tax Officer shall make an order under section 104 as if no reduction of the amount of minimum distribution had been made by the Board under this section.

- (8) If the Central Government is of opinion that it is necessary or expedient in the public interest so to do, it may, by notification in the Official Gazette, declare that the provisions of this section shall not apply to any class of companies or in regard to the whole or any part of the profits and gains of any class of companies.

(9) Notwithstanding anything contained in section 246, no appeal shall lie to the Appellate Assistant Commissioner against an order of the Income-tax Officer under section 104 in a case where a decision has been given by the Board.

- (10) The Board may, by notification in the Official Gazette, direct that, subject to such conditions, if any, as may be specified in the notification, the powers exercisable by it under this section shall also be exercisable by any Commissioner in respect of such companies or classes of companies as may be specified therein and thereupon in respect of such companies or classes of companies the provisions of this section and sections 106 and 107 shall have effect as if references in the said sections to the Board were references to such Commissioner.

27. *Amendment of section 109.*—In section 109 of the Income-tax Act,—

- (a) for the words and figures "For the purposes of sections 104 and 105", the words, figures and letter "For the purposes of sections 104, 105 and 107A" shall be substituted;

(b) in clause (iii)—

- (i) sub-clause (2) shall be omitted;

(ii) in sub-clause (3), for the words "in any of the activities specified in the preceding clause", the words "in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power" shall be substituted.

28. *Amendment of section 114.*—In section 114 of the Income-tax Act, in clause (b), for sub-clause (ii), the following sub-clause shall be substituted, namely:—

"(ii) the amount of income-tax and super-tax calculated on such part of the net capital gains, if any, relating to capital assets other than short-term capital assets, as exceeds the sum of five thousand rupees—

- (1) in the case of capital gains relating to buildings or lands, or any rights in buildings or lands, at three-fourths of the average rate of income-tax and three-fourths of the average rate of super-tax respectively, and

(2) in any other case, at one-half of the average rate of income-tax and one-half of the average rate of super-tax respectively,

average rate of income-tax and average rate of super-tax being computed for the purpose of this sub-clause in the same manner as for the purpose of sub-clause (i) of this clause:

Provided that where the amount payable under sub-clause (ii) of clause (b) is less than the amount equal to fifteen per cent of the net capital gains in respect of which tax is payable under that sub-clause, then the amount payable thereunder shall be fifteen per cent of such net capital gains:

Provided further that where the total income does not exceed the sum of ten thousand rupees, the amount payable under the said sub-clause shall be nil;

plus".

29. *Amendment of section 115.*—In section 115 of the Income-tax Act,—

- (i) for clause (a), the following clause shall be substituted, namely:—

"(a) the amount of income-tax equal to the aggregate of—

- (1) the amount of income-tax calculated at the rate of twelve and a half per cent on the amount of capital gains, if any chargeable under sub-section (2) of section 45; and

(2) the amount of income-tax with which it would have been chargeable had its total income been reduced by the amount of capital gains referred to in sub-clause (1);"

- (ii) for clause (b), the following clause shall be substituted, namely:—

"(b) the amount of super-tax equal to the aggregate of—

- (1) the amount of super-tax calculated on the amount of capital gains relating to capital assets other than short-term capital assets included in its total income—

(i) at the rate of fifteen per cent on so much of the amount of such capital gains as relate to buildings or lands or any rights in buildings or lands; and

(ii) at the rate of five per cent on the balance of such capital gains, if any [excluding capital gains, if any, referred to in sub-clause (i) of clause (a)]; and

- (2) the amount of super-tax with which it would have been chargeable had its total income been reduced by the amount of capital gains relating to capital assets other than short-term capital assets included in its total income."

30. *Substitution of new section for section 132.*—For section 132 of the Income-tax Act, the following section shall be substituted, namely:—

"132. *Powers of search and seizure.*—(1) Where the Commissioner, in consequence of information in his possession, has reason to believe that—

- (a) any person to whom a summons under sub-section (1) of section 37 of the Indian Income-tax Act, 1922 (11 of 1922) or under sub-section (1) of section 131 of this Act, or a notice under sub-section (4) of section 22 of the Indian Income-tax Act, 1922 or under sub-section (1) of section 142 of this Act was issued to produce, or cause to be produced, any books of account or other documents has omitted or failed to produce, or cause to be produced, such books of account or other documents as required by such summons or notice, or

(b) any person to whom a summons or notice as aforesaid has been or might be issued will not, or would not, produce or cause to be produced any books of account or other documents which will be useful for, or relevant to, any proceeding under the Indian Income-tax Act, 1922 (11 of 1922) or under this Act, or

(c) any person is in possession of any articles or things including money wholly disproportionate to his known sources of income, particulars of which will be useful for, or relevant to, any proceeding under the Indian Income-tax Act, 1922 (11 of 1922) or this Act,

he may authorise any Inspecting Assistant Commissioner or any Income-tax Officer to enter and search any building or place where he has reason to suspect that such books of account, other documents, articles or things including money are kept and if as a result of the search such books of account, other documents, articles or things including money are found, the Inspecting Assistant Commissioner or the Income-tax Officer, as the case may be, may—

- (i) seize any such books of account or other documents;

(ii) place marks of identification on any such books of account or other documents or make or cause to be made extracts or copies therefrom;

(iii) make a note or an inventory of any articles or things including money found which, in his opinion, will be useful for, or relevant to, any proceeding under the Indian Income-tax Act, 1922, or this Act.

(2) The books of account or other documents seized under sub-section (1) shall not be retained by the Inspecting Assistant Commissioner or the Income-tax Officer for a period exceeding one hundred and eighty days from the date of the seizure unless the reasons for retaining the same are recorded by him, in writing and the approval of the Commissioner for such retention is obtained:

Provided that the Commissioner shall not authorise the retention of the books of account and other documents for a period exceeding thirty days after all the proceedings under the Indian Income-tax Act, 1922 (11 of 1922), or this Act in respect of the years for which the books of account or other documents are relevant are completed.

(3) The person from whose custody any books of account or other documents are seized under sub-section (1) may make copies thereof, or take extracts therefrom, in the presence of the Income-tax Officer or any other person authorised by him, at such place and time as the Income-tax Officer may appoint in this behalf.

(4) If a person legally entitled to the books of account or other documents seized under sub-section (1) objects for any reason to the approval given by the Commissioner under sub-section (2), he may make an application to the Board stating therein the reasons for such objection and requesting for the return of the books of account or other documents.

(5) On receipt of the application under sub-section (4) the Board may, after giving the applicant an opportunity of being heard, pass such orders as it thinks fit.

(6) The provisions of the Code of Criminal Procedure, 1898 (5 of 1898), relating to searches shall apply, so far as may be, to searches under sub-section (1) of this section.

(7) The Board may make rules in relation to searches under this section."

31. *Insertion of new section 133A.*—After section 133 of the Income-tax Act, the following section shall be inserted, namely:—

"133A. *Power of survey.*—(1) Notwithstanding anything in any other provision, an Income-tax Officer or any Inspector of Income-tax authorised by him in this behalf may enter—  
(a) any place within the limits of the area assigned to him, or  
(b) any place occupied by any person in respect of whom the Income-tax Officer exercises jurisdiction, at which a business or profession is carried on, whether such place be the principal place or not of such business or profession, and require any proprietor, employee or any other person who may at that time and place be attending in any manner to, or helping in the carrying on of, such business or profession to afford him the necessary facility to inspect such books of account or other documents as he may require and which may be available at such place, and on the inspection of such accounts or documents he may, if he so deems necessary, place marks of identification thereon or cause to be made extracts therefrom:

Provided that the Income-tax Officer or such Inspector of Income-tax may enter any place referred to in this section only during such hours as the place is open for the conduct of the business or profession:

Provided further that while acting under this section the Income-tax Officer or such Inspector of Income-tax shall not remove or cause to be removed from the place which he has entered any books of account or other documents.

(2) If a person who under sub-section (1) is required to afford facility to the Income-tax Officer or the Inspector of Income-tax to inspect books of account or other documents either refuses or evades to do so, the Income-tax Officer shall have all the powers under sub-sections (1) and (2) of section 131 for enforcing compliance of the requirement made."

32. *Omission of section 137.*—Section 137 of the Income-tax Act shall be omitted.

33. *Substitution of new section for section 138.*—For section 138 of the Income-tax Act, the following section shall be substituted, namely:—

"138. *Disclosure of information respecting assessee.*—(1) Where a person makes an application to the Commissioner in the prescribed form for any information relating to any assessee in respect of any assessment made either under this Act or the Indian Income-tax Act, 1922 (11 of 1922), on or after the 1st day of April, 1960, the Commissioner may, if he is satisfied that it is in the public interest so to do, furnish or cause to be furnished the information asked for in respect of that assessment only and his decision in this behalf shall be final and shall not be called in question in any court of law.

(2) Notwithstanding anything contained in sub-section (1) or any other law for the time being in force, the Central Government may, having regard to the practices and usages customary or any other relevant factors, by order notified in the Official Gazette, direct that no information or document shall be furnished or produced by a public servant in respect of such matters relating to such class of assessee or except to such authorities as may be specified in the order."

34. *Insertion of new section 140A.*—After section 140 of the Income-tax Act, the following section shall be inserted, namely:—

"140A. *Self-assessment.*—(1) Where a return has been furnished under section 139 and the tax payable on the basis of that return as reduced by any tax already paid under any provision of this Act exceeds five hundred rupees, the assessee shall pay the tax so payable within thirty days of furnishing the return.

(2) After a provisional assessment under section 141 or a regular assessment under section 143 or section 144 has been made, any amount paid under sub-section (1) shall be deemed to have been paid towards the provisional assessment or regular assessment, as the case may be.

(3) If any assessee fails to pay the tax or any part thereof in accordance with the provisions of sub-section (1), he shall, unless a provisional assessment under section 141 or a regular assessment under section 143 or section 144 has been made before the expiry of thirty days referred to in that sub-section, be liable, by way of penalty, to pay such amount as the Income-tax Officer may direct, so however, that the amount of penalty does not exceed fifty per cent of the amount of such tax or part, as the case may be:

Provided that before levying any such penalty, the assessee shall be given a reasonable opportunity of being heard."

35. *Omission of section 141A.*—Section 141A of the Income-tax Act shall be omitted.

36. *Amendment of section 156.*—In section 156 of the Income-tax Act, after the words "any other sum", the brackets, words, figures and letter "(including annuity deposit referred to in Chapter XXIIA)" shall be inserted.

37. *Amendment of section 209.*—In section 209 of the Income-tax Act, in sub-clause (iv) of clause (a), for the words, brackets and letters "clauses (b) and (c)", the words, brackets and letters "clauses (b), (c) and (d)" shall be, and shall be deemed to have been, substituted, with effect from the 1st day of April, 1963.

38. *Amendment of section 246.*—In section 246 of the Income-tax Act, in clause (a),—

(i) for sub-clause (i), the following sub-clauses shall be substituted, namely:—

"(i) section 140A, or

(ia) section 221, or"

(ii) for sub-clause (v) the following sub-clauses shall be substituted, namely:—

"(i) section 273, or

(vi) section 280R."

39. *Amendment of section 254.*—In section 254 of the Income-tax Act, after sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) (a) Where the appellant objects to the fair market value of a capital asset adopted under section 52, the Appellate Tribunal may, and if the appellant so requires, shall, refer the question of the disputed value to the arbitration of two valuers, one of whom shall be nominated by the appellant and the other by the respondent and the Appellate Tribunal shall, so far as that question is concerned, pass its orders under sub-section (1) conformably to the decision of the valuers.

Provided that where the appellant or the respondent does not nominate any valuer within the time specified by the Appellate Tribunal or within such further time as the Appellate Tribunal may allow, the Appellate Tribunal may nominate a valuer on his behalf:

Provided further that if there is a difference of opinion between the two valuers, the matter shall be referred to a third valuer nominated by agreement, or failing agreement, by the Appellate Tribunal and the decision of that valuer on the question of valuation shall be final.

(b) The valuers to whom a reference under this sub-section has been made by the Appellate Tribunal shall communicate their decision to the Appellate Tribunal within six months of the date of such reference or within such further time as that Tribunal may allow:

Provided that if the decision of the valuers is not communicated within the period aforesaid, the Appellate Tribunal may order that the reference made under this sub-section shall be deemed to be withdrawn and proceed to dispose of the case on the evidence before it, including the report of either of the valuers if any such report has been submitted.

(c) The extent to which the costs of arbitration proceedings (including a case where a reference is deemed to be withdrawn) shall be borne by the appellant or the respondent shall be at the discretion of the Appellate Tribunal.

(d) The valuers may, in disposing of any matter referred to them for arbitration under this sub-section, hold or cause to be held such enquiry as they think fit and after giving the appellant and the respondent an opportunity of being heard, make such decision as they think fit and shall communicate such decision in writing to the Appellate Tribunal.

(e) The valuers appointed under this sub-section, while acting as such, shall have all powers of a Civil Court while trying a suit under the Code of Civil Procedure, 1908 (5 of 1908) in respect of the following matters, namely:—

(i) summoning and enforcing the attendance of any person and examining him on oath;

(ii) requiring the discovery and production of documents;

(iii) receiving evidence on affidavit; and

(iv) issuing commission for examination of witnesses or documents.

(f) Nothing in the Arbitration Act, 1940 (10 of 1940) shall apply to arbitrations under this sub-section.

*Explanation.*—In this sub-section "valuer" means a valuer appointed under section 4 of the Estate Duty Act, 1953 (34 of 1953)."

40. *Amendment of section 271.*—In section 271 of the Income-tax Act, in sub-section (1),—

(i) in clause (c), the word "deliberately" shall be omitted;

(ii) the following *Explanation* shall be inserted at the end, namely:—

"*Explanation.*—Where the total income returned by any person is less than eighty per cent of the total income (hereinafter in this *Explanation* referred to as the correct income) as



assessed under section 143 or section 144 or section 147 (reduced by the expenditure incurred *bona fide* by him for the purpose of making or earning any income included in the total income but which has been disallowed as a deduction), such person shall, unless he proves that the failure to return the correct income did not arise from any fraud or any gross or wilful neglect on his part, be deemed to have concealed the particulars of his income or furnished inaccurate particulars of such income for the purposes of clause (c) of this sub-section."

41. *Amendment of section 277.*—In section 277 of the Income-tax Act, for the words "punishable with simple imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.", the following shall be substituted, namely:—

"punishable with rigorous imprisonment for a term which may extend to two years:

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the court, such imprisonment shall not be for less than six months."

42. *Amendment of section 278.*—In section 278 of the Income-tax Act, for the words "punishable with simple imprisonment which may extend to six months or with fine which may extend to one thousand rupees, or with both.", the following shall be substituted, namely:—

"punishable with rigorous imprisonment for a term which may extend to two years:

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the court, such imprisonment shall not be for less than six months."

43. *Amendment of section 280.*—In section 280 of the Income-tax Act, in sub-section (1), for the words and figures "discloses any particulars, the disclosure of which is prohibited by section 137", the words, brackets and figures "furnishes any information or produces any document in contravention of the provisions of sub-section (2) of section 138," shall be substituted.

44. *Insertion of new Chapter XXIIA.*—In the Income-tax Act, after section 280, the following Chapter and sections shall be inserted, namely:—

#### 'CHAPTER XXIIA'

##### ANNUITY DEPOSITS

280A. *Persons to whom this Chapter applies.*—The provisions of this Chapter shall apply to every person, being—

- (i) an individual, who is a citizen of India,
- (ii) a Hindu undivided family,
- (iii) an unregistered firm,
- (iv) an association of persons or a body of individuals, whether incorporated or not (other than a company or a co-operative society), and
- (v) an artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 (other than a corporation established by a Central, State or Provincial Act):

Provided that such person is a resident.

280B. *Definitions.*—In this Chapter, unless the context otherwise requires,—

(1) "adjusted total income"—

- (a) in relation to the assessment year commencing on the 1st day of April, 1964, means the amount of total income computed without making any allowance under section 280O and reduced by the aggregate of the following amounts, if any, including therein, namely:—
  - (i) any income chargeable under the head "Salaries";
  - (ii) if the depositor is a partner of an unregistered firm which is liable to make an annuity deposit for the relevant assessment year, the amount of his share in the profits and gains of the firm computed in the manner laid down in section 67;
  - (iii) if the depositor is a member of an association of persons or a body of individuals (other than a Hindu undivided family or a firm) which is liable to make an annuity deposit for the relevant assessment year, the amount which he is entitled to receive from the association or body;
  - (iv) any compensation or other payment referred to in clause (ii) of section 28; and
  - (v) any income chargeable under the head "Capital gains";
- (b) in relation to the assessment year commencing on the 1st day of April, 1965, or any subsequent assessment year, means the amount of total income computed without making any allowance under section 280O and reduced by the aggregate of the following amounts, if any, included therein, namely:—
  - (i) any sum which under the provisions of sub-clause (vii) of clause (1) of section 17 is included in salary;

(ii) any income chargeable under the head "Salaries" in respect of which the assessee can make an application for the grant of relief under sub-section (1) of section 89;

(iii) the amount referred to in sub-clause (a)(ii) or sub-clause (a)(iii) of this clause;

(iv) any compensation or other payment referred to in clause (ii) of section 28; and

(v) any income chargeable under the head "Capital gains";

(2) "advance deposit" means the annuity deposit required to be made in advance in accordance with the provisions of sections 280E to 280I;

(3) "advance tax" shall have the same meaning as in section 207;

(4) "annuity" means any annual instalment of principal and interest thereon payable by the Central Government under the provisions of section 280D;

(5) "annuity deposit" means a deposit of money required to be made under the provisions of this Chapter;

(6) "depositor" means a person to whom the provisions of this Chapter apply.

280C. *Requirement as to annuity deposit.*—(1) Where any Central Act enacts that any person to whom the provisions of this Chapter apply shall make for any assessment year an annuity deposit with the Central Government at any rate or rates, such person shall make such deposit at that rate or those rates in accordance with, and subject to the provisions of, this Chapter in respect of the ~~adjusted~~ total income of the previous year or previous years, as the case may be.

(2) In respect of the adjusted total income in relation to which an annuity deposit is to be made under sub-section (1), such deposit shall be made in advance in accordance with the provisions of sections 280E to 280I.

280D. *Repayment.*—Subject to the provisions of this Chapter and any scheme framed thereunder, the Central Government shall repay to the depositor the annuity deposit made or recovered in any year in ten annual equated instalments of principal and interest at such rate as may be notified by the Central Government in the Official Gazette:

Provided that nothing in this section shall prevent the payment of any annuity at such commuted value thereof as may be provided in a scheme framed under section 280W, in any case in which the authority empowered to make such payment is satisfied that genuine hardship will be caused unless such payment is made.

280E. *Computation of advance deposit.*—The amount of advance deposit to be made by a depositor in the financial year shall be computed as follows:—

- (a) (i) his total income for the latest previous year in respect of which he has been assessed by way of regular assessment shall first be ascertained;
- (ii) the amount of income of the nature referred to in sub-clause (b)(i) or sub-clause (b)(ii) or sub-clause (b)(iii) or sub-clause (b)(iv) or sub-clause (b)(v) of clause (1) of section 280B, if any, included in such income shall be deducted therefrom, and on the balance annuity deposit shall be calculated at the rates in force in the financial year;
- (iii) the amount of annuity deposit calculated in accordance with sub-clause (ii) shall, subject to the provisions of clauses (b) and (c), be the advance deposit to be made;
- (b) in cases where an estimate of the adjusted total income is sent by the depositor under sub-section (1) or sub-section (2) or sub-section (3) of section 280H, the total income on the basis of which such adjusted total income is so estimated shall, for the purposes of calculation of advance deposit under this section, be substituted for the total income referred to in clause (a);
- (c) in cases where the Income-tax Officer makes an amended order referred to in sub-section (3) of section 280F on the basis of a provisional assessment, the total income on the basis of which the relevant provisional assessment had been made shall be substituted for the total income referred to in clause (a).

*Explanation.*—In this section and in sections 280F and 280H, the expression "total income" means the total income computed without making any allowance under section 280O.

280F. *Order by Income-tax Officer.*—(1) Where a depositor has been previously assessed by way of regular assessment under this Act or under the Indian Income-tax Act, 1922 (11 of 1922), the Income-tax Officer may, on or after the 1st day of April in the financial year, by order in writing, require him to make an advance deposit computed in accordance with the provisions of section 280E.

(2) The notice of demand issued under section 156 in pursuance of such order shall specify the instalments in which the advance deposit is to be made under section 280G.

(3) If, after the making of an order by the Income-tax Officer under this section and before the 15th day of February of the financial year, a regular assessment or a provisional assessment under section 141 of the depositor (or of the registered firm of which he is a partner) is made in respect of a previous year later than that referred to in the order of the Income-tax Officer, the Income-tax Officer may make an amended order requiring such depositor to make in one instalment on the specified date, or in equal instalments on the specified dates, if more than one, falling after the date of the amended order, the advance deposit computed on the basis of the adjusted total income calculated with reference to the total income determined under the regular assessment or the provisional assessment aforesaid as reduced by the deposit, if any, made in accordance with the original order.

280G. *Instalments of advance deposit.*—Subject to the provisions of section 280H, the provisions of section 211 shall, so far as may be, apply in relation to advance deposit to be made by a depositor as they apply in relation to advance tax payable by an assessee with the modification that reference therein to section 210 shall be construed as reference to section 280F.

280H. *Estimate by depositor.*—(1) If a depositor, who is required to make advance deposit by an order under section 280F, estimates at any time before the last instalment is due that his adjusted total income for the period which would be the previous year for the immediately following assessment year, is less than the income in respect of which he is required to make such deposit, and accordingly wishes to make a deposit of an amount less than the amount which he is so required to deposit, he may send to the Income-tax Officer—

- (i) an estimate of the adjusted total income of the said previous year;
- (ii) an estimate of the advance deposit to be made by him calculated in the manner laid down in section 280E; and shall make such deposit as accords with his estimate in equal instalments on such of the dates specified in section 211 as applied to advance deposit by section 280G as have not expired or in one sum if only the last of such dates has not expired.

(2) The depositor may send a revised estimate of the advance deposit to be made by him and adjust any excess or deficiency in respect of any instalment already paid in a subsequent instalment or in subsequent instalments.

(3) A depositor who has not previously been assessed by way of regular assessment under this Act, or under the Indian Income-tax Act, 1922 (11 of 1922), shall, before the 1st day of March in each financial year, if his total income of the period which would be the previous year for the immediately following assessment year is likely to exceed the minimum amount in relation to which annuity deposit is required to be made under the provisions of the Finance Act of that year, send to the Income-tax Officer—

- (i) an estimate of the adjusted total income of the said previous year;
- (ii) an estimate of the advance deposit to be made by him calculated in the manner laid down in section 280E; and shall make such deposit as accords with his estimate, on such of the dates specified under section 211 as applied to advance deposit by section 280G as have not expired, by instalments which may be revised according to sub-section (2).

(4) Every estimate under this section shall be sent in the prescribed form and verified in the prescribed manner.

280I. *Commission receipts.*—Where part of the adjusted total income consists of any income of the nature of commission which is receivable periodically and is not received or adjusted by the payer in the depositors account before any of the quarterly instalments of advance deposit become due, he may defer the making of advance deposit in respect of that part of his income to the date on which such income would be normally received or adjusted, and, if he does so, he shall communicate to the Income-tax Officer the date to which the making of such deposit is deferred.

280J. *Annuity deposit on the basis of self-assessment.*—Where in respect of any assessment year, income-tax is payable on the basis of self-assessment under section 140A, the depositor shall, on or before the date on which tax under such assessment is payable, make an annuity deposit equal to the amount, if any, by which the amount of annuity deposit required to be made on the basis of income returned exceeds the amount, if any, of the annuity deposit already made by him in respect of that assessment year.

280K. *Annuity deposit on the basis of provisional or regular assessment.*—At the time of making a provisional assessment under section 141 or a regular assessment, or as soon thereafter as may be, the Income-tax Officer shall, by order in writing, determine the amount of annuity deposit, if any, required to be made by the depositor on the basis of the income so assessed after taking into account the amount of annuity deposit, if any, already made by him in respect of that assessment year.

280L. *Special provisions for the assessment year 1964-65.*—(1) If the total income of a depositor for the previous year relevant to the assessment year commencing on the 1st day of April, 1964 (such total income being computed without making any allowance under section 280O) exceeds fifteen thousand rupees and he does not furnish a return under section 139 before the 1st day of March 1965 and no regular assessment under section 144 is made before the said 1st day of March, he shall send to the Income-tax Officer—

- (i) an estimate of the adjusted total income of the said previous year;
- (ii) an estimate of annuity deposit to be made by him calculated in the manner laid down in section 280E; and shall make such deposit as accords with his estimate on or before the 31st day of March, 1965.

(2) An estimate under this section shall be sent in the prescribed form and verified in the prescribed manner.

280M. *Recomputation of annuity deposit and adjustment of excess or deficiency.*—(1) Where as a result of an order of re-assessment or recomputation under section 147 or as a result of an order under section 154 or section 155 or section 186 or section 250 or section 251 or section 260 or section 262 or section 263 or section 264, the total income of a depositor is enhanced or reduced, or the status under which he is assessed is altered, or in the case of a firm, registration is granted or cancelled, the Income-tax Officer shall compute or recompute the amount of annuity deposit to be made by such depositor.

(2) Where any depositor has deposited any amount for any assessment year which is—

- (a) in excess of the amount, or
- (b) less than the amount, required to be deposited under the provisions of this Chapter for that year and in the case referred to in clause (b), an additional amount has been recovered to make up the deficiency, then such excess amount or additional amount, as the case may be, may be adjusted or otherwise dealt with in such manner as may be provided in a scheme framed under section 280W.

280N. *Refund of annuity deposit made by a firm assessed under clause (b) of section 183.*—Where any unregistered firm is assessed under clause (b) of section 183 for any assessment year, such firm shall not be liable to make in annuity deposit for that assessment year and annuity deposit made by it for that assessment year, if any shall be adjusted or otherwise dealt with in such manner as may be provided in a scheme framed under section 280W.

280O. *Annuity deposit allowed as deduction in computing total income.*—(1) Notwithstanding anything to the contrary contained in the provisions of this Act relating to the computation of income chargeable under any head of income, the annuity deposit required to be made under this Chapter shall, subject to the provisions of sub-section (2), be allowed as a deduction in computing the total income assessable for the assessment year in respect of which the annuity deposit is required to be made.

(2) If the adjusted total income of the depositor includes any income chargeable under the head "Salaries", the allowance under sub-section (1) shall be made in computing the income under that head, and if there is no income chargeable under that head or the annuity deposit required to be made exceeds such income, the whole or the balance of the annuity deposit required to be made shall be allowed as a deduction in computing earned income chargeable under any other head, and if there is no earned income chargeable under any other head or the whole or the balance of the annuity deposit required to be made exceeds such earned income, the whole or balance of the annuity deposit required to be made shall be allowed as a deduction in computing any other income under any head.

*Explanation.*—In this sub-section, the expression "earned income" has the meaning assigned to it in the Finance Act of the relevant year.

280P. *Annuity deposit deductible in computing income under the head "Salaries" for purposes of section 192.*—Any person responsible for paying any income chargeable under the head "Salaries" to a resident shall, at the time of payment, deduct income-tax and super-tax under section 192 as if the estimated income referred to in sub-section (1) of that section had been reduced by the amount of advance deposit, if any, to be made by the assessee at the rates in force in the financial year concerned in respect of such income, whether such advance deposit has or has not been made.

280Q. *Rounding off.*—The amount of any deposit to be made under this Chapter shall be rounded off to the nearest multiple of five rupees and where such amount contains a part of five rupees, then, if such part is two rupees and fifty paise or more, it shall be increased to five rupees and if such part is less than two rupees and fifty paise, it shall be ignored.

280R. *Penalty for failure to make deposit.*—(1) If any person who is liable to make an annuity deposit under this Chapter fails to make such deposit within the time specified therefor, the Income-tax Officer may direct that the depositor shall pay by way of penalty an

mount not exceeding one-half of the annuity deposit which he is able to make.

(2) If the Income-tax Officer, in the course of any proceedings in connection with the regular assessment is satisfied that any depositor—

(a) has furnished under section 280H an estimate of advance deposit to be made by him which he knew or had reason to believe to be untrue, or

(b) has without reasonable cause failed to furnish an estimate of advance deposit to be made by him in accordance with the provisions of sub-section (3) of section 280H,

he may direct that such depositor shall pay by way of penalty a sum—

(i) which, in the case referred to in clause (a), shall not exceed half the amount by which the advance deposit actually made during the financial year immediately preceding the assessment year under the provisions of sections 280E to 280I falls short of—

(1) seventy-five per cent of the annuity deposit required to be made on the basis of income assessed by way of regular assessment (such deposit being calculated at the rates in force in the financial year immediately preceding the assessment year), or

(2) where a notice under section 280F was issued to the depositor, the deposit required to be made thereunder, whichever is less; and

(ii) which, in the case referred to in clause (b), shall not exceed half the amount equal to the seventy-five per cent referred to in clause (i) (1).

(3) No order imposing a penalty under this section shall be made unless the assessee has been heard, or has been given a reasonable opportunity of being heard.

**280S. Other interest and penalty provisions of the Act not to apply.**—Notwithstanding anything to the contrary contained in this Act, the provisions of this Act, other than those contained in this Chapter or any scheme framed thereunder, relating to interest payable by the Central Government on refunds and interest payable by the assessee in default or those relating to imposition of penalty shall not apply in relation to any sum due under this Chapter.

**280T. Recovery of arrears of deposit and penalty.**—For the removal of doubts, it is hereby declared that any arrear of annuity deposit and any penalty imposed under this Chapter shall be recoverable in the manner provided in Chapter XVII-D for the recovery of arrears of tax.

**280U. Special provisions for authors, playwrights, artists, musicians and actors.**—Any individual, being an author, playwright, artist, musician or actor, may, in addition to the amount of annuity deposit required to be made by him in respect of any assessment year, make a further deposit of an amount not exceeding twenty-five per cent of his adjusted total income assessable for that assessment year, and he does so, the further deposit made by him, shall, for the purposes of this Chapter, be included in the annuity deposit required to be made by him.

**280V. Special provisions relating to gratuity.**—Where the total income of a depositor assessable for any assessment year includes any gratuity chargeable under the head "Salaries" he may, in addition to the amount of annuity deposit required to be made by him in respect of that assessment year, make a further deposit of an amount not exceeding fifty per cent of the amount of such gratuity, and if he does so, the further deposit made by him, shall, for the purposes of this Chapter, be included in the annuity deposit required to be made by him.

**280W. Annuity Deposit Scheme.**—(1) The Central Government may, by notification in the Official Gazette, frame one or more schemes or schemes to be called Annuity Deposit Scheme or Schemes in relation to deposits under this Chapter.

(2) A scheme under sub-section (1) may provide for—

(a) the manner in which the annuity deposits shall be made;

(b) the manner in which, and intervals at which, annuities shall be paid; and the manner in which the excess or deficiency of annuity deposit may be adjusted or otherwise dealt with;

(c) the authority or authorities by or through whom such deposits may be collected or by whom annuities may be issued;

(d) the documents to be issued to persons by whom deposits have been made as evidence of such deposits;

(e) the accounts to be maintained with respect to such deposits and annuities and the officers by whom such accounts shall be maintained;

(f) the nomination of any person to receive the annuity or any other sum due under this Chapter to any depositor in the event of his death and the cancellation or change of such nomination;

(g) the issue of duplicate of any document issued as evidence of any such deposit in the event of loss or destruction of the original and the fee on the payment of which such duplicate may be issued; and

(h) any other matter which may be necessary or proper for the effective implementation of the scheme.

(3) The Central Government may, by notification in the Official Gazette, add to, amend, vary or rescind any scheme framed under this Chapter.

(4) Any scheme framed under this Chapter shall be laid, as soon as may be, after it is framed before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and, if before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in any provision of the scheme or both Houses agree that any provision in the scheme should not be made, that provision of the scheme shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that provision.

**280X. Option in certain cases.**—(1) Notwithstanding anything contained in this Chapter, any depositor may, on or before the 30th day of June of the assessment year in which he first becomes liable to make an annuity deposit, by notice in writing to the Income-tax Officer, declare (such declaration being final for that assessment year and all assessment years thereafter) that the provisions of this Chapter shall not apply to him and if he does so, the provisions of this Chapter [other than sub-section (2)] shall not apply to him for any assessment year in relation to which such option has effect:

Provided that in relation to the assessment year commencing on the 1st day of April, 1964, this sub-section shall have effect as if for the words, figures and letters "the 30th day of June", the words, figures and letters "the 30th day of September" were substituted:

Provided further that where any such depositor satisfies the Income-tax Officer that he was prevented by sufficient cause from making such declaration within the period allowed therefor, the Income-tax Officer may, with the previous approval of the Inspecting Assistant Commissioner, allow such depositor to make the declaration at any time after the expiry of the aforesaid period.

(2) If a person has exercised the option under sub-section (1), then the amount of income-tax (but not super-tax) payable by him in respect of any assessment year in relation to which such option has effect shall be increased by a sum equal to fifty per cent of the amount by which the amount of annuity deposit which would have been otherwise required to be made in respect of that assessment year exceeds the difference between the tax payable by him on his total income and the tax that would have been payable had his total income been reduced by the amount of annuity deposit:

Provided that if such person is more than seventy years of age on the last day of the previous year relevant to the assessment year, he shall not be liable to pay the additional income-tax under this sub-section.

**45. Substitution of new section for section 287.**—For section 287 of the Income-tax Act, the following section shall be substituted, namely:—

"287. **Publication of information respecting assessee.**—(1) If the Central Government is of opinion that it is necessary or expedient in the public interest to publish the names of any assessee and any other particulars relating to any proceedings under this Act in respect of such assessee, it may cause to be published such names and particulars in such manner as it thinks fit.

(2) No publication under this section shall be made in relation to any penalty imposed, or any conviction for any offence connected with any proceedings, under this Act until the time for presenting an appeal to the Appellate Assistant Commissioner or to the first Appellate Court, as the case may be, has expired without an appeal having been presented or the appeal, if presented, has been disposed of.

**Explanation.**—In the case of a firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers, or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Central Government, the circumstances of the case justify it."

**46. Amendment of section 293.**—In section 293 of the Income-tax Act, after the words "lie against", the words "the Government or" shall be inserted

**47. Amendment of section 295.**—In section 295 of the Income-tax Act, in sub-section (2), after clause (d), the following clause shall be inserted, namely:—

"(dd) the extent to which, and the conditions subject to which, any expenditure referred to in sub-section (3) of section 37 may be allowed;"

**48. Omission of the Fifth Schedule.**—In the Income-tax Act, the Fifth Schedule shall be omitted.

49. *Amendment of Act 34 of 1953.*—In the Estate Duty Act, 1953,—

- (a) in section 5A, the following amendments shall be made and shall be deemed to have been made with effect from the 23rd day of September, 1963, namely:—
  - (i) in sub-section (2), the word "Orissa", shall be omitted;
  - (ii) in sub-section (3), the words "in the State of Orissa and" shall be omitted;
- (b) in section 33, in sub-section (1), after clause (m), the following clause shall be inserted, namely:—
 

"(n) one house or part thereof exclusively used by the deceased for his residence, to the extent the principal value thereof does not exceed rupees one lakh if such house is situate in a place with a population exceeding ten thousand, and the full principal value thereof in any other case.";
- (c) in section 34, in clause (a) of sub-section (1), for the brackets, letters and word "(l) and (m)", the brackets, letters and word "(f), (m) and (n)" shall be substituted;
- (d) in section 50, the words "one-half of" shall be omitted;
- (e) in section 78, after the words "lie against", the words "the Government or" shall be inserted;
- (f) for section 80, the following sections shall be substituted, namely:—

"80. *Disclosure of information respecting assessments.*—Where a person makes an application to the Controller in the prescribed form for any information in respect of any assessment made under this Act, the Controller may, if he is satisfied that it is in the public interest so to do, furnish or cause to be furnished the information asked for in respect of that assessment only and his decision in this behalf shall be final and shall not be called in question in any court of law.

- 80A. *Publication of information respecting accountable persons.*—(1) If the Central Government is of opinion that it is necessary or expedient in the public interest to publish the names of any accountable persons and any other particulars relating to any proceedings under this Act in respect of such persons, it may cause to be published such names and particulars in such manner as it thinks fit.
- (2) No publication under this section shall be made in relation to any penalty imposed under this Act until the time for presenting an appeal to the Appellate Controller has expired without an appeal having been presented or the appeal, if presented, has been disposed of.";
- (g) in the Second Schedule, for Part I, the following Part shall be substituted, namely:—

#### "PART I

In the case of any property which passes or is deemed to pass on the death of the deceased—

	Rate of duty
(1) On the first Rs. 50,000 of the principal value of the estate	—
(2) On the next Rs. 50,000 of the principal value of the estate	4%
(3) On the next Rs. 1,00,000 of the principal value of the estate	8%
(4) On the next Rs. 3,00,000 of the principal value of the estate	15%
(5) On the next Rs. 5,00,000 of the principal value of the estate	25%
(6) On the next Rs. 5,00,000 of the principal value of the estate	40%
(7) On the next Rs. 5,00,000 of the principal value of the estate	50%
(8) On the balance of the principal value of the estate	85%".

50. *Amendment of Act 27 of 1957.*—In the Wealth-tax Act, 1957,—

- (a) in section 5, in sub-section (1), for clause (iv), the following clause shall be substituted, namely:—
 

"(iv) one house or part of a house belonging to the assessee exclusively used by him for residential purposes;

Provided that where the value of such house or part, situate in a place with a population exceeding ten thousand, exceeds one lakh of rupees, the amount that shall not be included in the net wealth of an assessee under this section shall be one lakh of rupees.";
- (b) section 42 shall be omitted;
- (c) for sections 42A and 42B, the following sections shall be substituted, namely:—

"42A. *Publication of information respecting assessee.*—(1) If the Central Government is of opinion that it is necessary or expedient in the public interest to publish the names of any assessee and any other particulars relating to any proceedings under this Act in respect of such assessee, it may cause to be published such names and particulars in such manner as it thinks fit.

- (2) No publication under this section shall be made in relation to any penalty imposed, or any conviction for any offence connected with any proceedings, under this Act until the time for presenting an appeal to the Appellate Assistant Commissioner or to the first Appellate Court, as the case may be, has expired without an appeal having been presented or the appeal, if presented, has been disposed of.

42B. *Disclosure of information respecting assessee.*—Where a person makes an application to the Commissioner in the prescribed form for any information relating to any assessee in respect of any assessment made under this Act, the Commissioner may, if he is satisfied that it is in the public interest so to do, furnish or cause to be furnished the information asked for in respect of that assessment only and his decision in this behalf shall be final and shall not be called in question in any court of law.";

- (d) in section 43, after the words "lie against", the words "the Government or" shall be inserted;
- (e) in the Schedule, for Part I, the following Part shall be substituted, namely:—

#### "PART I

- (a) In the case of every individual:—

	Rate of tax
(i) On the first rupees one lakh of net wealth	Nil
(ii) On the next rupees four lakhs of net wealth	0.5%
(iii) On the next rupees five lakhs of net wealth	1.0%
(iv) On the next rupees ten lakhs of net wealth	2.0%
(v) On the balance of net wealth	2.5%
(b) In the case of every Hindu undivided family:—	
(i) On the first rupees two lakhs of net wealth	Nil
(ii) On the next rupees three lakhs of net wealth	0.5%
(iii) On the next rupees five lakhs of net wealth	1.0%
(iv) On the next rupees ten lakhs of net wealth	2.0%
(v) On the balance of net wealth	2.5%".

51. *Amendment of Act 29 of 1957.*—In the Expenditure-tax Act, 1957,—

- (i) in section 3, in sub-section (1), the proviso and the Explanation shall be omitted;
- (ii) in section 5,
  - (1) for clause (g), the following clause shall be substituted, namely:—
 

"(g) any expenditure incurred by the assessee in the purchase of books;";
  - (2) to clause (f), the following proviso shall be added, namely:—

"Provided that the assessee is either chargeable to gift-tax under the Gift-tax Act, 1958 (18 of 1958) in respect of such gift, donation or settlement, as the case may be, or has deposited to the credit of the Central Government before the completion of his assessment for the relevant assessment year under this Act, a sum of four per cent of the moneys or the value of the property comprised in such gift or donation or settlement, as the case may be, by way of payment of expenditure-tax for the relevant assessment year, such payment being in addition to the amount of expenditure-tax with which he is otherwise chargeable under the provisions of this Act;";

- (3) clauses (h) and (n) shall be omitted;

- (iii) in section 6—

- (a) in sub-section (1)—

- (1) clause (c) shall be omitted;

- (2) for clause (d), the following clause shall be substituted, namely:—

"(d) four-fifths of any expenditure incurred by way of capital expenditure on the purchase of bullion, precious stones, jewellery, motor-cars and other conveyances for the personal use of the assessee or any of his dependents;

Provided that where a deduction as aforesaid is made one-fifth of the said capital expenditure shall be deemed to be incurred by the assessee in each of the four years succeeding the previous year in which the expenditure was incurred and no deduction shall be made under this clause in the assessment for any succeeding year in respect of expenditure so deemed to have been incurred in any earlier year;";

- (3) clauses (e), (f), (g) and (h) shall be omitted;

- (4) in clause (i), the words, brackets and letters "to the extent to which such expenditure is not admissible under clause (e) or clause (e) or clause (f) or clause (g)", shall be omitted;

- (5) clause (j) shall be omitted;

- (b) sub-section (2) and sub-section (3) shall be omitted;

- (iv) section 38 shall be omitted;

(v) for sections 38A and 38B, the following sections shall be substituted, namely:—

“38A. *Publication of information respecting assessee.*—(1)

If the Central Government is of opinion that it is necessary or expedient in the public interest to publish the names of any assessee and any other particulars relating to any proceedings under this Act in respect of such assessee, it may cause to be published such names and particulars in such manner as it thinks fit.

(2) No publication under this section shall be made in relation to any penalty imposed, or any conviction for any offence connected with any proceedings, under this Act until the time for presenting an appeal to the Appellate Assistant Commissioner or to the first Appellate Court, as the case may be, has expired without an appeal having been presented or the appeal, if presented, has been disposed of.

38B. *Disclosure of information respecting assessee.*—Where a person makes an application to the Commissioner in the prescribed form for any information relating to any assessee in respect of any assessment made under this Act, the Commissioner may, if he is satisfied that it is in the public interest so to do, furnish or cause to be furnished the information asked for in respect of that assessment only and his decision in this behalf shall be final and shall not be called in question in any court of law.”

(vi) in section 39, after the words “lie against”, the words “the Government or” shall be inserted;

(vii) for the Schedule, the following Schedule shall be substituted, namely:—

#### “THE SCHEDULE

(See section 3)

##### RATES OF EXPENDITURE-TAX

In the case of every individual and Hindu undivided family, on that portion of the taxable expenditure—

(i) which does not exceed Rs. 36,000 .. Nil

(ii) which exceeds Rs. 36,000 but does not exceed Rs. 48,000 .. 5%

(iii) which exceeds Rs. 48,000 but does not exceed Rs. 60,000 .. 7.5%

(iv) which exceeds Rs. 60,000 but does not exceed Rs. 72,000 .. 10%

(v) which exceeds Rs. 72,000 but does not exceed Rs. 84,000 .. 15%

(vi) which exceeds Rs. 84,000 .. 20%.

Provided that in respect of any assessment for the financial year commencing on the 1st day of April, 1964 or 1965, this Schedule shall have effect as if for items (v) and (vi), the following item had been substituted, namely:—

“(v) which exceeds Rs. 72,000 .. 15%”.

52. *Amendment of Act 18 of 1958.*—In the Gift-tax Act, 1958,—

(a) in section 5,—

(i) in clause (viii) of sub-section (1), for the words “rupees one lakh”, the words “rupees fifty thousand” shall be substituted;

(ii) in sub-section (2), for the words “ten thousand”, the words “five thousand” shall be substituted;

(b) after section 6, the following section shall be inserted namely:—

“6A. *Aggregation of gifts made to the same donee during a certain period.*—(1) Notwithstanding anything to the contrary contained in this Act, where an assessee has made taxable gifts to the same donee during a previous year and during any one or more of the four previous years immediately preceding such previous year, the gift-tax payable by him for the relevant assessment year shall, subject to the provisions of sub-section (2), be determined in the following manner, namely:—

(a) the value of the taxable gifts made to such a donee during any one or more of the four previous years immediately preceding the previous year relevant to an assessment year shall be aggregated with the value of the taxable gifts made by the assessee during the relevant previous year and gift-tax shall be calculated on the aggregate value at the rate or rates specified in the Schedule;

(b) from the amount of gift-tax calculated under clause (a), there shall be deducted the aggregate of—

(i) an amount which bears to the amount of gift-tax calculated under clause (a) the same proportion as the value of any taxable gift made to such donee prior to the 1st day of April, 1963 included in the aggregate value referred to in clause (a) bears to such aggregate value;

(ii) the amount of any gift-tax payable by assessee for each of the four assessment years immediately preceding the relevant assessment year in respect of the value of the taxable gifts made by him to the said donee after the 31 day of March, 1963, included in the aggregate value referred to in clause (a).

and the balance shall be the amount of gift-tax payable by the assessee.

*Explanation.*—For the purposes of sub-clause (ii) of clause (b), the amount of gift-tax payable by an assessee in respect of the value of taxable gifts made by him to the same donee for each of the four assessment years immediately preceding the relevant assessment year means such proportion of the total amount of gift-tax payable by the assessee for that assessment year as the value of any taxable gifts made by him after the 31st day of March, 1963, to such donee during the relevant previous year bears to the total value of the taxable gifts made by the assessee during that previous year.

(2) The gift-tax payable by an assessee shall in no case be less than the amount of the gift-tax which would be payable by him without giving effect to the provisions of sub-section (1).”

(c) in section 32, to sub-section (2), the following proviso shall be, and shall be deemed always to have been, added, namely:—

“Provided that where as a result of an order under section 22, or section 23, or section 24, or section 25, or section 26, or section 28, or section 34, the amount on which interest was payable under this section had been produced, the interest shall be reduced accordingly and the excess interest paid, if any, shall be refunded.”

(d) in section 34, in sub-section (5), for the word and figures “section 33”, the word, figures and letter “section 33A” shall be, and shall be deemed always to have been, substituted;

(e) section 41 shall be omitted;

(f) for sections 41A and 41B, the following sections shall be substituted, namely:—

“41A. *Publication of information respecting assessee.*—(1) If the Central Government is of opinion that it is necessary or expedient in the public interest to publish the names of any assessee and any other particulars relating to any proceedings under this Act in respect of such assessee, it may cause to be published such names and particulars in such manner as it thinks fit.

(2) No publication under this section shall be made in relation to any penalty imposed, or any conviction for any offence connected with any proceedings, under this Act until the time for presenting an appeal to the Appellate Assistant Commissioner or to the first Appellate Court, as the case may be, has expired without an appeal having been presented or the appeal, if presented, has been disposed of.

*Explanation.*—In the case of a firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers, or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Central Government, the circumstances of the case justify it.

41B. *Disclosure of information respecting assessee.*—Where a person makes an application to the Commissioner in the prescribed form for any information relating to any assessee in respect of any assessment made under this Act, the public Commissioner may, if he is satisfied that it is in the interest so to do, furnish or cause to be furnished the information asked for in respect of that assessment only and his decision in this behalf shall be final and shall not be called in question in any court of law.”

(g) in section 42, after the words “lie against”, the words “the Government or” shall be inserted;

(h) for the Schedule, the following Schedule shall be substituted, namely:—

#### “THE SCHEDULE

(See section 3)

##### RATES OF GIFT-TAX

	Rate of gift-tax
(1) On the first Rs. 5,000 of the value of all taxable gifts	4%
(2) On the next Rs. 15,00 of the value of all taxable gifts	8%
(3) On the next Rs. 25,000 of the value of all taxable gifts	15%
(4) On the next Rs. 1,00,000 of the value of all taxable gifts	25%
(5) On the next Rs. 2,00,000 of the value of all taxable gifts	40%
(6) On the balance of the value of all taxable gifts	50%”.

53. *Expenditure-tax to be levied from 1st April, 1964.*—Notwithstanding anything contained in section 13 of the Finance (No. 2) Act, 1962 (20 of 1962), expenditure tax shall be charged under the Expenditure-tax Act, 1957 (29 of 1957) for every financial year commencing on or after the 1st day of April, 1964, in respect of the expenditure incurred by an individual or Hindu undivided family.

54. *Amendment of Act 13 of 1963.*—In Paragraph A of Part I of the First Schedule to the Finance Act, 1963, for clause (ii) of the



proviso to clause (c) under the heading "Surcharges on income-tax", the following clause shall be, and shall be deemed always to have been, substituted, namely:—

- (ii) "the additional surcharge shall in no case exceed one-half of the amount by which the residual income exceeds the limit specified below."

55. *Super profits tax not to be levied from 1st April, 1964.*—Notwithstanding anything contained in the Super Profits Tax Act, 1963, (14 of 1963) super profits tax shall not be charged for any assessment year commencing on or after the 1st day of April, 1964, in respect of the chargeable profits of any company.

56. *Amendment of Act 32 of 1934.*—The Indian Tariff Act, 1934 (hereinafter referred to as the Tariff Act) shall be amended in the manner specified in the Third Schedule.

57. *Surcharge on duties of customs.*—(1) In the case of goods chargeable with a duty of customs which is specified in the First Schedule to the Tariff Act as amended by this Act or any subsequent Act of Parliament, or in that Schedule read with any notification of the Central Government for the time being in force, there shall be levied and collected as an addition to, and in the same manner as, the total amount so chargeable, a sum equal to 10 per cent of such amount:

Provided that in computing the total amount so chargeable, any duty chargeable under section 2A of the Tariff Act or section 58 of this Act shall not be included.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1965 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897) shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

58. *Regulatory duty of customs.*—(1) There shall be levied and collected, with effect from such date as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all goods mentioned in the First Schedule to the Tariff Act as amended by this Act or any subsequent Act of Parliament, a regulatory duty of customs which shall be—

- (a) 25 per cent of the rate, if any, specified in the said First Schedule read with any notification issued under section 3A sub-section (1) of section 4 of the Tariff Act; or

- (b) 10 per cent of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act, 1962, (52 of 1962),

whichever is higher:

Provided that different dates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 30th day of April, 1965 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clause Act, 1897 (10 of 1897), shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duty of customs leviable under this section in respect of any goods referred to in sub-section (1) shall be in addition to any other duty of customs chargeable on such goods under the Customs Act, 1962 (5 of 1962).

(4) The provisions of the Customs Act, 1962 (52 of 1962) and the rules and regulations made thereunder, including those relating to refunds and exemptions from duties shall, as far as may be, apply in relation to the levy and collection of the regulatory duty of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

59. *Amendment of Act 1 of 1949.*—In the Indian Tariff (Amendment) Act, 1949, in sections 4 and 5, for the figures "1964", the figures "1965" shall be substituted.

60. *Amendment of Act 1 of 1944.*—In the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act),—

- (1) in section 2, in clause (f),—

- (i) the words beginning with "and the word 'manufacturer'" and ending with "are intended for sale;" shall be omitted;

- (ii) after sub-clause (iii), the following shall be inserted, namely:—

"(iv) in relation to goods comprised in Item No. 18A of the First Schedule, includes sizing, beaming, warping, wrapping, winding or reeling, or any one or more of these processes, or the conversion of any form of the said goods into another form of such goods;

and the word 'manufacturer' shall be construed accordingly and shall include not only a person who employs hired labour in the production or manufacture of excisable goods, but also any person who engages in their production or manufacture on his own account;"

- (2) in the First Schedule,—

- (a) in Item No. 4, under "II—Manufactured tobacco—",

for the entries in the third column against sub-items 2 (iii) and 2 (iv), the entries "Seven rupees and fifty naye paise" and "Four rupees and forty naye paise" shall, respectively, be substituted;

- (b) in Item No. 14, under "I", after sub-item (4), the following sub-item shall be inserted, namely:—

("4A) Dispersed Organic pigments ordinarily used for the printing of textiles, whether in the form of powder, paste, or in emulsion. Two rupees and fifty naye paise per kilogram."

- (c) after Item No. 14B, the following Item shall be inserted, namely:—

"14BB. SODIUM SILICATE .. Eight rupees per quintal."

- (d) in Item No. 14F, in the second column,—

- (i) for sub-items (i), (ii) and (iii), the following sub-item shall be substituted, namely:—

"(i) Preparations for the care of the skin including beauty creams, vanishing creams, cold creams, make-up creams, cleansing creams, skin foods and tonics, face powders, baby powders, toilet powders and talcum powders."

- (ii) sub-item (iv) shall be re-numbered as sub-item (ii);

- (e) in Item No. 15, under "I", for sub-items (1), (2) and (3), the following sub-items shall be substituted, namely:—

"(1) Soap, household and laundry Eighteen rupees per quintal.

(2) Other sorts Thirty-eight rupees per quintal."

- (f) for Item No. 15A, the following Item shall be substituted, namely:—

"15A. ARTIFICIAL OR SYNTHETIC RESINS AND PLASTIC MATERIALS; AND ARTICLES THEREOF. Twenty per cent *ad valorem*."

- (1) Artificial or synthetic resins and plastic materials in any form, whether solid, liquid or pasty, or as powder, granules or flakes, or in the form of moulding powders, the following, namely:—

- (i) Condensation, Poly-condensation and Poly-addition products, whether or not modified or poly-mixed, including Phenoplasts, Aminoplasts, Alkyds, Poly-rethane, Polyallyl, Esters and other Unsaturated Polyesters;

- (ii) Polymerisation and Copolymerisation products including Polyethylene and Polytetrahaloethylene, Polyisobutylene, Polystyrene, Polyvinyl chloride, Polyvinyl acetate, Polyvinyl Chloroacetate and other Polyvinyl derivatives, Polyamides, Polyacrylic and Ploymethacrylic derivatives and Coumarone-Indene resins; and

- (iii) Cellulose acetate (including di- or tri-acetate), Cellulose acetate butyrate and Cellulose propionate, Cellulose acetate-propionate, Ethyl cellulose and Benzyl cellulose, whether plasticised or not, and plasticised Cellulose nitrate.

- (2) Articles made of plastics, all sorts, including tubes, rods, sheets, foils, sticks, other rectangular or profile shapes, whether laminated or not, and whether rigid or flexible, including layflat tubings and Polyvinyl chloride sheets.

*Explanation.*—For the purpose of sub-item (2), 'plastics' means the various artificial or synthetic resins or plastic material included in sub-item (1)."

- (g) in Item No. 17, for sub-items (1) to (10), the following sub-items shall be substituted, namely:—

"(1) Cigarette tissue One rupee per kilogram.

(2) Blotting, toilet, target, tissue other than cigarette tissue, teleprinter, typewriting, manifold, bank, bond, art paper, chrome paper, tubsized paper, cheque paper, stamp paper, cartridge paper, parchment, and coated board (including art board, chrome board and board for playing cards). Fifty naye paise per kilogram.

- (3) Printing and writing paper, packing and wrapping paper, strawboard and pulp-board, including grey board, corrugated board, duplex and triplex boards, other sorts. Thirty-five naye paise per kilogram.

- (4) All other kinds of paper and paper-board not otherwise specified. Fifty naye paise per kilogram."

- (h) in Item No. 18, for the entry in the third column, the entry "Nine rupees per kilogram" shall be substituted;

- (i) for Item 18A, the following Item shall be substituted, namely:—

"18A.—COTTON TWIST, YARN AND THREAD, ALL SORTS, sized or unsized, in all forms including skeins, hanks, cops, cones, bobbins, prins, spools, reels, cheeses, balls or on warp beams, in or in relation to the manufacture of which any process is ordinarily carried on with

- the aid of power—  
 (1) of counts 29 or more One rupee per kilogram;  
 (2) of counts less than 29 Fifty naye paise per kilogram;

*Explanation.*—(1) 'Count' means the size of grey yarn expressed as the number of 1000 metre hanks per one-half kilogram;

(2) For multiple fold yarn, 'count' means the count of the basic single yarn.”;

(f) in Item No. 18B—

(a) for sub-item (1), the following Sub-item shall be substituted, namely:—

“(1) worsted yarn—

(a) of 48s counts and more Twenty per cent *ad valorem*;

(b) of less than 48s counts Fifteen per cent *ad valorem*.”;

(b) the following *Explanation* shall be inserted at the end, namely:—

“*Explanation.*—‘Count’ means the size of single yarn expressed as the number of 560 yard hanks per pound.”;

(k) for Item No. 25, the following Item shall be substituted, namely:—

“25. IRON IN ANY CRUDE FORM Forty-five rupees per including pig iron, scrap iron, molten metric tonne.”;  
 iron or iron cast in any other shape or size.

(l) for Item No. 26, the following Item shall be substituted, namely:—

“26. STEEL INGOTS including steel melt- Fifty rupees per iron scrap. metric tonne.”;

(m) in Item No. 26AA—

(i) for the entry in the third column against each of the sub-items (i) and (ia), the entry “Forty rupees per metric tonne *plus* the excise duty for the time being leviable on steel ingots” shall be substituted;

(ii) for sub-items (ii) and (iii), the following sub-items shall be substituted, namely:—

“(ii) Plates and sheets (including uncoated plates and sheets intended for tinning), all sorts, and hoops and strips, all sorts other than skelp. One hundred and fifty rupees per metric tonne *plus* the excise duty for the time being leviable on steel ingots.”;

(iii) Skelp One hundred and fifty rupees per metric tonne *plus* the excise duty for the time being leviable on steel ingots.”;

(n) in Item No. 27, for the entry in the second column against sub-item (b), the entry “Manufactures, the following, namely, plates, sheets, circles, strips and extruded shapes and sections in any form or size.” shall be substituted;

(o) in Item No. 33B, for the entry in the second column against sub-item (i), the entry “Insulated copper wires and cables, whether sheathed or unsheathed, any core of which, not being one specially designed as a pilot core, has a sectional area of less than 8.0645 square millimetres and wires and cables of other metals and alloys of not more than equivalent conductivity.” shall be substituted;

(p) in Item No. 34,—

(i) after sub-item (3), the following sub-item shall be inserted, namely:—

“(3a) Tractors, including agricultural Ten per cent *ad valorem*.”;

(ii) the following *Explanation* shall be inserted at the end, namely:—

“*Explanation.*—For the purposes of this Item, where a motor vehicle is mounted, fitted or fixed with any weight-lifting, earth moving and similar specialised material handling equipment, then such equipment other than the chassis shall not be taken into account.”;

(q) for Item No. 36, the following Item shall be substituted, namely:—

“36. FOOTWEAR AND PARTS THEREOF in or in relation to the manufacture of which any process is ordinarily carried on with the aid of power—

(1) Footwear .. Ten per cent *ad valorem*.

(2) Parts of footwear .. Fifteen per cent *ad valorem*.”

*Explanation.*—‘Footwear’ includes all varieties of footwear, whether known as boots, shoes, sandals, chappals, or by any other name.”.

61. *Special duty of excise on certain goods.*—(1) When goods of the description mentioned in this section chargeable with a duty of excise under the First Schedule to the Central Excises Act, as amended by this Act or any subsequent Act of Parliament or under

that Schedule read with any notification of the Central Government for the time being in force, are assessed to duty, there shall be levied and collected—

(a) as respects goods comprised in Items Nos. 6, 8, 9, 14D, 22A, 23A except sub-item (1) thereof, 23B, 28, 29, sub-items (2) and (3) of Item No. 31 and Item No. 32 of that Schedule, a special duty of excise equal to 10 per cent of the total amount so chargeable on such goods;

(b) as respects goods comprised in Items Nos. 2, 3 (1), sub-items 1, 11(2) and 11(3) of Item No. 4, Items Nos. 13, 14, 14F, 15, 15A, 15B, 16, 16A, 17, 18A(2), 21, 22, 23, 23A(1), 27, 30, 31(1), 33, sub-items (1), (3a) and (4) of Item No. 34 and Item No. 37 of that Schedule, a special duty of excise equal to 20 per cent of the total amount so chargeable on such goods; and

(c) as respects goods comprised in Items Nos. 4 11(1), 18, 18A (1), 18B, 20, 29A, 33A, sub-items (2) and (3) of Item No. 34 and radiograms comprised in Item No. 37A of that Schedule, a special duty of excise equal to 33-1/3 per cent of the total amount so chargeable on such goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1965 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897), shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force and such special duties shall be levied for purposes of the Union and the proceeds thereof shall not be distributed among the States.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the duty of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules.

62. *Regulatory duty of excise.*—(1) There shall be levied and collected, with effect from such date as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all goods mentioned in the First Schedule to the Central Excises Act as amended by this Act or any subsequent Act of Parliament, a regulatory duty of excise which shall be fifteen per cent of the value of the goods as determined in accordance with the provisions of section 4 of the Central Excises Act:

Provided that different dates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 30th day of April, 1965, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 (10 of 1897), shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force and such regulatory duties shall be levied for purposes of the Union and the proceeds thereof shall not be distributed among the States.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the regulatory duty of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

63. *Discontinuance of salt duty.*—For the year beginning on the first day of April, 1964, no duty under the Central Excises Act, or the Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

64. *Amendment of Act 16 of 1955.*—In the Medicinal and Toilet Preparations (Excise Duties) Act, 1955,—

(a) in section 2,—

(i) in clause (h), for the words and figures “and which is a dangerous drug within the meaning of the Dangerous drugs Act, 1930”, the words “and includes all alkaloids of opium” shall be substituted;

(ii) for clause (i), the following clause shall be substituted, namely:—

“(i) ‘opium’ means—

(1) the capsules of the poppy (*Papaver somniferum* L.), whether in their original form or cut, crushed or powdered and whether or not juice has been extracted therefrom;

(2) the spontaneously coagulated juice of such capsules which has not been submitted to any manipula-



tions other than those necessary for packing and transport; and

(3) any mixture, with or without neutral materials, of any of the above forms of opium, and includes any derivative of opium;";

(b) for the Schedule, the following Schedule shall be substituted, namely:—

**"THE SCHEDULE**  
(See section 3)

Item No.	Description of dutiable goods	Rate of duty
<i>Medicinal Preparations</i>		
1.	<b>Hopathic Medicinal Preparations:—</b>	
(i)	Medicinal preparations containing alcohol which are not capable of being consumed as ordinary alcoholic beverages—	
(a)	Patent or proprietary medicines.	Ten per cent <i>ad valorem</i> or rupee one and ten naye paise per litre of the strength of London proof spirit, whichever is higher.
(b)	Others	Rupee one and ten naye paise per litre of the strength of London proof spirit.
(ii)	Medicinal preparations containing alcohol which are capable of being consumed as ordinary alcoholic beverages—	
(a)	Medicinal preparation which contain known active ingredients in the therapeutic quantities.	Ten per cent <i>ad valorem</i> or rupees three and eighty-five naye paise per litre of the strength of London proof spirit, whichever is higher.
(b)	Others	Rupees fifteen and fifty naye paise per litre of the strength of London proof spirit.
(iii)	Medicinal preparations not containing alcohol but containing opium, Indian hemp, or other narcotic drug or narcotic.	Ten per cent <i>ad valorem</i> .
2.	Medicinal preparation in Ayurvedic, Unani or other indigenous systems of medicine—	
(i)	Medicinal preparation containing self-generated alcohol which are not capable of being consumed as ordinary alcoholic beverages.	<i>Nil</i>
(ii)	Medicinal preparations containing self-generated alcohol which are capable of being consumed as ordinary alcoholic beverages.	Thirty-eight naye paise per litre of the strength of London proof spirit.
(iii)	All others containing alcohol which are prepared by distillation or to which alcohol has been added.	Rupees fifteen and fifty naye paise per litre of the strength of London proof spirit.
(iv)	Medicinal preparation not containing alcohol but containing opium, Indian hemp, or other narcotic drug or narcotic.	Ten per cent <i>ad valorem</i> .
3.	Homocopathic preparations containing alcohol.	Rupees three and eighty-five naye paise per litre of the strength of London proof spirit.
<i>Toilet Preparations</i>		
4.	Toilet preparations containing alcohol, or opium, Indian hemp, or other narcotic drug or narcotic.	Twenty-five per cent <i>ad valorem</i> or rupees three and eighty-five naye paise per litre of the strength of London proof spirit whichever is higher.

**Explanation.**—"Patent or proprietary medicines" means any medicinal preparation which bears either on itself or on its container or both, a name which is not specified in a monograph in a Pharmacopoeia, Formulary or other publications notified in this behalf by the Central Government in the Official Gazette, or which is a brand name, that is, a name or a registered trade mark under the Trade and Merchandise Marks Act, 1958 (43 of 1958) or any other mark such as a symbol, monogram, label, signature or invented

words or any writing which is used in relation to that medicinal preparation for the purpose of indicating or so as to indicate a connection in the course of trade between the preparation and some person having the right either as proprietor or otherwise to use the name or mark with or without any indication of the identity of that person.

**Explanation II.**—Where any article is chargeable with duty at a rate dependent on the value of the article, such value shall be deemed to be the value as determined in accordance with the provisions of section 4 of the Central Excises and Salt Act, 1944 (1 of 1944).

**Explanation III.** "London proof spirit" means that mixture of ethyl alcohol and distilled water which at the temperature of 51 degrees Fahrenheit weighs exactly 12/13th parts of an equal measure of distilled water at the same temperature.

**Explanation IV.**—Where in respect of any dutiable goods the unit of assessment for the purpose of any duty under this Act is a litre of the strength of London proof spirit, the duty shall be increased or reduced in such proportion as the strength of the dutiable goods is greater or less than that of the London proof spirit."

65. **Amendment of Act 21 of 1963.**—In the Compulsory Deposit Scheme Act, 1963, in section 4, after sub-section (9), the following sub-sections shall be inserted, namely:—

"(9A) If any person has deposited any amount under the provisions of sub-section (3) or sub-section (4) which is in excess of the amount of additional surcharge payable by him, such excess shall, on an application made by that person, be refunded to him with interest due thereon, in such manner as the Central Government thinks fit.

(9B) If any person who is liable to pay advance tax under the Income-tax Act has made a deposit under the provisions of sub-section (5) in the financial year commencing on the first day of April, 1963, the amount of such deposit shall, on an application made by that person, be refunded to him with interest due thereon, in such manner as the Central Government thinks fit."

**THE FIRST SCHEDULE**

(See section 2)

**PART I**

*Income-tax and surcharge on income-tax*  
**Paragraph 4**

(i) In the case of every individual who is married and every Hindu undivided family whose total income does not exceed Rs. 20,000 in either case—

*Rates of Income-tax*

	Where the individual has no child wholly or mainly dependent on him or where the Hindu undivided family has no minor coparcener	Where the individual has one child wholly or mainly dependent on him or where the Hindu undivided family has one minor coparcener	Where the individual has more than one child wholly or mainly dependent on him or where the Hindu undivided family has more than one minor coparcener
	Rs. 3,200 of total income	Rs. 3,600 of total income	Rs. 4,000 of total income
(1) On the first			<i>Nil</i>
(2) On the next	1,800 "	1,400 "	1,000 " 6%
(3) On the next	2,500 "	2,500 "	2,500 " 10%
(4) On the next	5,000 "	5,000 "	5,000 " 15%
(5) On the next	7,500 "	7,500 "	7,500 " 20%

(ii) In the case of every individual who is not married and every individual or Hindu undivided family whose total income in either case exceeds Rs. 20,000 and in the case of every unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies:—

(1) On the first Rs. 1,000 of total income	..	—
(2) On the next Rs. 4,000 of total income	..	6%
(3) On the next Rs. 2,500 of total income	..	10%
(4) On the next Rs. 5,000 of total income	..	15%
(5) On the next Rs. 7,500 of total income	..	20%
(6) On the balance of total income	..	25%

Provided that for the purposes of this Paragraph—

- (i) no income-tax shall be payable on a total income which does not exceed the limit specified below;
- (ii) the income-tax payable shall in no case exceed half the amount by which the total income exceeds the said limit;

- (iii) the income-tax payable by an individual who is married or a Hindu undivided family whose total income exceeds in either case Rs. 20,000 shall not exceed the aggregate of—
- (a) the income-tax which would have been payable if the total income had been Rs. 20,000;
  - (b) half the amount by which the total income exceeds Rs. 20,000. The limit aforesaid shall be—
- (i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:
    - (a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or
    - (b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;
  - (ii) Rs. 3,000 in every other case.

#### Surcharge on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union, which shall be equal to the aggregate of the sums computed as hereunder:

- (a) where the amount of the income other than earned income, if any, included in the total income exceeds Rs. 10,000, a sum calculated on the difference between the amount of income-tax on the total income and the amount of income-tax on the whole of the earned income, if any, included in the total income if such earned income had been the total income, at the following rate, namely:—
- (i) where the amount of the income other than the earned income, if any, included in the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000,  
Provided that the amount of surcharge payable under this clause shall in no case exceed one-tenth of the amount by which the income other than the earned income exceeds Rs. 10,000;
- (ii) where the amount of the income other than the earned income, if any, included in the total income exceeds Rs. 25,000 but does not exceed Rs. 75,000,

Provided that the surcharge payable under this clause shall in no case exceed the aggregate of the following sums, namely:—

- (1) an amount calculated at the rate of twelve and a half per cent on the amount of income-tax on an income of Rs. 25,000, if such income had been the total income (the income of Rs. 25,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the person concerned);
- (2) one-tenth of the amount by which the income other than the earned income exceeds Rs. 25,000;
- (iii) where the amount of the income other than the earned income, if any, included in the total income exceeds Rs. 75,000

Provided that the surcharge payable under this clause shall in no case exceed the aggregate of the following sums, namely:—

- (1) an amount calculated at the rate of fifteen per cent on the amount of income-tax on an income of Rs. 75,000, if such income had been the total income (the income of Rs. 75,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the person concerned);
- (2) one-tenth of the amount by which the income other than the earned income exceeds Rs. 75,000;
- (b) where the earned income included in the total income exceeds Rs. 1,00,000, a sum calculated at ten per cent of the difference between the amount of income-tax which would have been payable on the whole of the earned income included in the total income, if such earned income had been the total income and the amount of income-tax payable on a total income of Rs. 1,00,000.

#### Paragraph B

In the case of every local authority,—

#### Rate of income-tax

On the whole of the total income .. .. . 30%.

#### Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of five per cent of the amount of income-tax.

#### Paragraph C

In every case in which under the provisions of the Income-tax Act income-tax is to be charged at the maximum rate,—

#### Rate of income-tax

On the whole of the total income .. .. . 25%

#### Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of 17.5 per cent of the amount of income-tax.

#### Paragraph D

In the case of every company,—

#### Rate of income-tax

On the whole of the total income .. .. . 25%.

Provided that a rebate at the rate of ten per cent, on so much of the total income as consists of dividends from an Indian Company which is not such a company as is referred to in section 108 of the Income-tax Act and which is wholly or mainly engaged in the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in Part IV of this Schedule, shall be allowed in the case of a company which has not made the prescribed arrangements for the declaration and payment of dividends within India.

**Explanation.**—For the purposes of this paragraph and Part III of this Schedule, a company shall be deemed to be mainly engaged in the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in Part IV of this Schedule, if the income attributable to any of the aforesaid activities included in its total income for the previous year is not less than fifty-one per cent of such total income.

#### Paragraph E

In the case of every registered firm,—

#### Rates of income-tax

- |   |    |     |
|---|----|-----|
| (1) On the first Rs. 25,000 of total income | .. | Nil |
| (2) On the next Rs. 25,000 of total income  | .. | 6%  |
| (3) On the next Rs. 50,000 of total income  | .. | 8%  |
| (4) On the balance of total income          | .. | 12% |

#### Surcharge on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union equal to the sum of—

- (i) twenty per cent of the amount of income-tax payable by the firm on its income from any business carried on by it calculated at the average rate of income-tax applicable to its total income; and
- (ii) ten per cent of the amount of income-tax payable by it on its income from all sources other than from any business carried on by it calculated at the average rate of income-tax applicable to its total income.

#### PART II

#### Super-tax and surcharge on super-tax

#### Paragraph A

In the case of every individual, Hindu undivided family, unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this part applies,—

#### Rates of super-tax

- |   |    |     |
|---|----|-----|
| (1) On the first Rs. 20,000 of total income | .. | Nil |
| (2) On the next Rs. 5,000 of total income   | .. | 10% |
| (3) On the next Rs. 5,000 of total income   | .. | 15% |
| (4) On the next Rs. 20,000 of total income  | .. | 30% |
| (5) On the next Rs. 20,000 of total income  | .. | 45% |
| (6) On the balance of total income          | .. | 50% |

#### Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by surcharge for purposes of the Union, which shall be equal to the aggregate of the sums computed as hereunder:—

- (a) where the amount of income other than earned income, if any, included in the total income exceeds Rs. 10,000, a sum calculated on the difference between the amount of super-tax on the total income and the amount of super-tax on the whole of the earned income, if any, included in the total income if such earned income had been the total income, at the following rate, namely:—
- (i) where the amount of the income other than the earned income, if any, included in the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000,  
Provided that the amount of surcharge payable under this clause shall in no case exceed one-eighth of the amount by which the income other than the earned income exceeds Rs. 10,000;
- (ii) where the amount of income other than the earned income, if any, included in the total income exceeds Rs. 25,000 but does not exceed Rs. 75,000,

Provided that the surcharge payable under this clause shall in no case exceed the aggregate of the following sums, namely:—

- (1) an amount calculated at the rate of twelve and a half per cent on the amount of super-tax on an income of Rs. 25,000, if such income had been the total income (the income of Rs. 25,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the person concerned);
- (2) one-eighth of the amount by which the income other than the earned income exceeds Rs. 25,000;
- (iii) where the amount of the income other than the earned income, if any, included in the total income exceeds Rs. 75,000, at the rate of 17.5%.

Provided that the surcharge payable under this clause shall in no case exceed the aggregate of the following sums, namely:—

- (1) an amount calculated at the rate of fifteen per cent on the amount of super-tax on an income of Rs. 75,000, if such income had been the total income (the income of Rs. 75,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the person concerned);
- (2) one-eighth on the amount by which the income other than the earned income exceeds Rs. 75,000;
- (3) where the earned income included in the total income exceeds Rs. 1,00,000, a sum calculated at ten per cent of the difference between the amount of super-tax which would have been payable on the whole of the earned income included in the total income, if such earned income had been the total income and the amount of super-tax payable on a total income of Rs. 1,00,000.

#### Paragraph B

In the case of every local authority,—

Rate of super-tax	
On the whole of the total income	16%
Surcharge on super-tax	
The amount of super-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of 2½ per cent of the amount of super-tax.	

#### Paragraph C

In the case of every association of persons being a co-operative society as defined in clause (19) of section 2 of the Income-tax Act,—

Rates of super-tax	
(1) On the first Rs. 25,000 of total income	Nil
(2) On the balance of total income	16%
Surcharge on super-tax	
The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union of 12½ per cent of the amount of super-tax.	

#### Paragraph D

In the case of every company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956),—

Rates of super-tax	
On the whole of the total income	55%:

Provided that—

- (i) a rebate at the rate of 37.5 per cent on the total income shall be allowed in the case of any company which—
  - (a) in respect of its profits liable to tax under the Income-tax Act for the assessment year commencing on the 1st day of April, 1964, has made the prescribed arrangements for the declaration and payment within India of dividends payable out of such profits in accordance with the provisions of section 194 of that Act; and
  - (b) is such a company as is referred to in section 108 of the Income-tax Act with a total income not exceeding Rs. 25,000;
- (ii) a rebate at the rate of 35 per cent on so much of the total income as consists of profits and gains attributable to the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles

specified in the list in part IV of this Schedule; and at the rate of 30 per cent on the balance of the total income shall be allowed in the case of a company which satisfies conditions (a) of the preceding clause and which is such a company as is referred to in section 108 of the Income-tax Act with a total income exceeding Rs. 25,000;

- (iii) (A) in the case of a company which is wholly or mainly engaged in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power and whose total income does not exceed rupees five lakhs, a rebate at the rate of 30 per cent on so much of its total income as does not exceed rupees two lakhs and a rebate at the rate of 20 per cent on the balance of total income; and in addition, where the total income includes any income attributable to the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in Part IV of this Schedule, a rebate at the rate of 5 per cent on so much of such inclusion as does not exceed rupees two lakhs and a rebate at the rate of 6 per cent on the balance, if any, of such inclusion, shall be allowed if—
  - (a) such company satisfies condition (a) of clause (i); and
  - (b) it is not such a company as is referred to in section 108 of the Income-tax Act;
- (B) in the case of any company which is not entitled to any rebate under sub-clause (A) of this clause, a rebate at the rate of 26 per cent on so much of its total income as is attributable to the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in Part IV of this Schedule; and at the rate of 20 per cent on the balance of the total income, shall be allowed if—
  - (a) such company satisfies conditions (a) of clause (i); and
  - (b) it is not such a company as is referred to in section 108 of the Income-tax Act;
- (iv) a rebate at the rate of 30 per cent on so much of the total income as consists of royalties received from an Indian concern in pursuance of an agreement made by it with the Indian concern on or after the 1st day of April, 1961 and which has been approved by the Central Government; at the rate of 30 per cent on so much of the total income as consists of fees for rendering technical services received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 29th day of February, 1964 and which has been approved by the Central Government; and at the rate of 15 per cent on the balance of the total income shall be allowed in the case of any company not entitled to rebate under any of the preceding clauses:

Provided further that—

- (i) the amount of the rebate under clause (i) or clause (ii) or clause (iii) of the preceding proviso shall be reduced by the sum, if any, equal to the amount or the aggregate of the amounts, as the case may be, computed as hereunder:—
  - (a) on the aggregate of the sums computed in the manner provided in clause (i) of the second proviso to paragraph D of Part II of the First Schedule to the Finance Act, 1963 (13 of 1963), as reduced by the amount, if any, which is deemed to have been taken into account, in accordance with clause (ii) of the said proviso, for the purpose of reducing the rebate mentioned in clause (i) of the said proviso to nil;
  - (b) on the amount representing the face value of any bonus shares or the amount of any bonus issued to its shareholders during the previous year with a view to increasing the paid-up capital except where such bonus shares or bonus have been issued wholly out of the share premium account of the company after the 31st day of March, 1964; and
  - (c) in addition, in the case of a company referred to in clause (i) or clause (ii) or clause (iii) of the preceding proviso [being such a company as is referred to in section 108 of the Income-tax Act or any other company as is referred to in clause (iii) of sub-section (2) of section 104 of that Act] which has declared or distributed to its shareholders during the previous year any dividends other than dividends on preference shares—
    - (A) in the case of a company which since the date of the commencement of its activities has declared or distributed any dividends for the first time during the previous year or any one of the four previous years immediately preceding such previous year—

on that part of the dividends other than dividends on preference shares which exceeds 10 per cent of the paid-up equity capital;

(B) in any other case—

on the whole amount of the dividends other than dividends on preference shares; at the rate of 7.5%.

(iii) where the sum arrived at in accordance with clause (i) of this proviso exceeds the amount of the rebate arrived at in accordance with clause (i) or clause (ii) or clause (iii), as the case may be, of the preceding proviso, only so much of the amounts of reduction mentioned in sub-clauses (a), (b) and (c) of clause (i) of this proviso as is sufficient, in that order to reduce the rebate to nil shall be deemed to have been taken into account for the purpose:

Provided further that the super-tax payable by a company, as is referred to in section 108 of the Income-tax Act, and the total income of which exceeds rupees twenty-five thousand, shall not exceed the aggregate of—

(a) the super-tax which would have been payable by the company if its total income had been Rs. 25,000 (the income of Rs. 25,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the company; and

(b) fifty-five per cent of the amount by which its total income exceeds rupees twenty-five thousand;

Provided further that the super-tax payable by a company, which is wholly or mainly engaged in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power and which is not such a company as is referred to in section 108 of the Income-tax Act and the total income of which exceeds rupees five lakhs, shall not exceed the aggregate of

(a) the super-tax which would have been payable by the company if its total income had been rupees five lakhs (the income of rupees five lakhs for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the company; and

(b) fifty-five per cent of the amount by which its total income exceeds rupees five lakhs.

*Explanation 1.*—For the purposes of this paragraph, a company shall be deemed to be mainly engaged in the manufacture or process-

ing of goods or in mining or in the generation or distribution of electricity or any other form of power, if the income attributable to any of the aforesaid activities included in its total income for the previous year is not less than fifty-one per cent of such total income.

*Explanation 2.*—For the purposes of this paragraph, where a part of the income of a company is not included in its total income because it is agricultural income, the amount declared or distributed as dividends (other than dividends on preference shares), the amount representing the face value of any bonus shares and the amount of any bonus issued to its share holders shall each be deemed to be such proportion thereof as the sum specified in clause (a) bears to the sum specified in clause (b), such sums being

(a) the average amount of the total income of the company in the five previous years in which it has been in receipt of taxable income immediately preceding the relevant previous year; and

(b) the average amount or the total profits and gains (excluding capital receipts) of the company for the five previous years referred to in clause (a) reduced by such allowances as may be admissible under the Income-tax Act but which have not been taken into account by the company in its profit and loss accounts for the said five previous years.

*Explanation 3.*—For the removal of doubts it is hereby declared that where any dividends were declared by the company before the commencement of the previous year and are distributed by it during that year, no reduction in the rebate shall be made under sub-clause (c) of clause (i) of the second proviso in respect of such dividends.

#### Paragraph E

In the case of the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 (31 of 1956), -

#### Rate of super-tax

On the whole of its profits and gains from life insurance business .. 22.5%

#### PART III

#### Rates for deduction of tax at source in certain cases

In every case in which under the provisions of sub-section (2) of section 192 and sections 193 to 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to deduction, at the following rates:—

	Income-tax		Super-tax	
	Rate of income-tax	Rate of surcharge	Rate of super-tax	Rate of surcharge
1. In the case of a person other than a company—				
(a) where the person is resident on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government);	18%	2%	Nil	Nil;
(b) where the person is not resident in India				
(i) on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government);	25%	4.37%	Super-tax and surcharge on super-tax in accordance with the provisions of clause (b) of sub-section (1) of section 113 of the Income-tax Act.	
(ii) on the income from interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government.	Nil	Nil	Super-tax and surcharge on super-tax in accordance with the provisions of clause (b) of sub-section (1) of section 113 of the Income-tax Act.	
2. In the case of a company—				
(a) where the company is either an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India,—				
on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government);			20%	
(b) where the company is neither an Indian company nor a company which has made the prescribed arrangements for the declaration and payment of dividends within India,—				
(i) on the income from dividends payable by an Indian company which is not such a company as is referred to in section 108 of the Income-tax Act and which is wholly or mainly engaged in the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in Part IV of this Schedule;			15%	Nil

	Rate of in- come-tax	Rate of super-tax
(ii) on the income from dividends payable by any other Indian company or any company which has made the prescribed arrangements for the declaration and payment of dividends within India;	25%	Nil
(iii) on the income from royalties payable by an Indian concern in pursuance of an agreement which is made by it with the Indian concern on or after the 1st day of April, 1961 and which has been approved by the Central Government;	25%	25%
(iv) on the income from fees for rendering technical services received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 29th day of February, 1964 and which has been approved by the Central Government;	25%	25%
(v) on the income from interest payable on any security of the Central Government issued or declared to be income-tax free and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government; and	Nil	40%
(vi) on any other income	25%	40%

#### PART IV

##### List of articles

- (1) Iron and steel (Metal), ferro-alloys and special steels.
- (2) Aluminium, copper, lead and zinc (Metals).
- (3) Coal, lignite, iron ore, bauxite, manganese ore, dolomite, magnesite and mineral oil.
- (4) Industrial machinery specified under the heading "8. Industrial Machinery", sub-heading "A. Major items of specialised equipment used in specific industries", of the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951).
- (5) Boilers and steam generating plants, steam engines and turbines and internal combustion engines.
- (6) Equipment for the generation and transmission of electricity including transformers, cables and transmission towers.
- (7) Machine tools, precision tools, dies and jigs.
- (8) Tractors and earth-moving machinery.
- (9) Steel castings and forgings.
- (10) Cement and refractories.
- (11) Fertilisers, namely, ammonium sulphate, ammonium sulphate nitrate (double salt), ammonium nitrate (nitrolime stone), ammonium chloride, super phosphate, urea and complex fertilisers of synthetic origin containing both nitrogen and phosphorus, such as ammonium phosphates, ammonium sulphate phosphate and ammonium nitrophosphate.
- (12) Paper and pulp.
- (13) Tea.
- (14) Electronic equipment, namely, radar equipment, computers, electronic accounting and business machines, electronic communication equipment, electronic control instruments and basic components, such as valves, transistors, resistors, condensers, coils, magnetic materials and micro wave components.
- (15) Petrochemicals including corresponding products manufactured from other basic raw materials like calcium carbide, ethyl alcohol or hydrocarbons from other sources.
- (16) Component parts of the articles mentioned in items Nos. (4), (5), (6) and (8), that is to say, such parts as are essential for the working of the machinery-referred to in items aforesaid and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose and are in complete finished form and ready for fitment.

#### THE SECOND SCHEDULE

(See section 3)

##### Rates of Annuity Deposits

- (i) In the case of any depositor whose total income does not exceed Rs. 15,000. Nil
- (ii) In the case of any depositor whose total income exceeds Rs. 15,000 but does not exceed Rs. 20,000—  
5 per cent of the adjusted total income:  
Provided that the annuity deposit to be made shall in no case

exceed half the amount by which the total income exceeds Rs. 15,000.  
(iii) In the case of a depositor whose total income exceeds Rs. 20,000 but does not exceed Rs. 40,000—

7½ per cent of the adjusted total income:

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely:—

- (a) an amount calculated at five per cent on so much of the adjusted total income as does not exceed Rs. 20,000;
- (b) one-half of the amount by which the total income exceeds Rs. 20,000.

(iv) In the case of a depositor whose total income exceeds Rs. 20,000 but does not exceed Rs. 70,000—

10 per cent of the adjusted total income:

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely:—

- (a) an amount calculated at seven and a half per cent on so much of the adjusted total income as does not exceed Rs. 40,000;
- (b) one-half of the amount by which the total income exceeds Rs. 40,000.

(v) In the case of a depositor whose total income exceeds Rs. 70,000—12½ per cent of the adjusted total income:

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely:—

- (a) an amount calculated at 10 per cent on so much of the adjusted total income as does not exceed Rs. 70,000;
- (b) one-half of the amount by which the total income exceeds Rs. 70,000.

**Explanation.**—In this Schedule, "total income" means total income computed in the manner laid down in the Income-tax Act without making any allowance under section 280O of that Act.

#### THE THIRD SCHEDULE

(See section 56)

##### PART I

In the First Schedule to the Tariff Act,—

- (i) in Item No. 28 (34), —  
(1) for the entry in the fourth column against sub-item (a), the entry "70 per cent *ad valorem*" shall be substituted;
- (2) for the entry in the fourth column against sub-item (b), the entry "80 per cent *ad valorem*" shall be substituted; and
- (ii) in Item No. 63 (32),—  
(1) for the entry in the fourth column against sub-item (a), the entry "Rs. 50.00 per tonne plus 25 per cent *ad valorem*" shall be substituted;
- (2) for the entry in the fourth column against sub-item (b), the entry "Rs. 84.00 per tonne plus 25 per cent *ad valorem*" shall be substituted.

#### PART II

Preferential rate of duty if the article is the produce or manufacture of

The  
United  
Kingdom

A British Colony

Duration  
of protective  
rates  
of duty

Item No.	Name of article	Nature of duty	Standard rate of duty	The United Kingdom	A British Colony	Duration of protective rates of duty
1	2	3	4	5	6	7
In the First Schedule to the Tariff Act, for Item No. 8 (2), the following item shall be substituted, namely:—						
"8 (2) Fruits, dried (salted and all other kinds) not otherwise specified—						
(A) Almonds—						
(a) without shell						
		Preferential Revenue	Rs. 430.00 per quintal		Rs. 430.00 per quintal less 10 per cent <i>ad valorem</i> .	—

1	2	3	4	5	6	7
	(b) in the shell— (i) soft shell	.. Preferential Revenue	Rs. 250.00 per quintal	..	Rs. 250.00 per quintal less 10 per cent <i>ad</i> <i>valorem</i> .	..
	(ii) hard shell	.. Preferential Revenue	Rs. 140.00 per quintal	..	Rs. 140.00 per quintal less 10 per cent <i>ad</i> <i>valorem</i> .	..
(B)	Dates, dry, excluding seedless— (a) Shekra or Shakeria, Sakina and Brami	.. Preferential Revenue	Rs. 75.00 per quintal	..	Rs. 75.00 per quintal less 10 per cent <i>ad</i> <i>valorem</i> .	..
	(b) Kapkapa, Chharra, Chupehap, Sarki, Sori, Omani and Bhatni.	.. Preferential Revenue	Rs. 50.00 per quintal	..	Rs. 50.00 per quintal less 10 per cent <i>ad</i> <i>valorem</i> .	..
	(c) All other qualities	.. Preferential Revenue	Rs. 35.00 per quintal	..	Rs. 35.00 per quintal less 10 per cent <i>ad</i> <i>valorem</i> .	..
(C)	Dates, wet, excluding seedless, in bags, baskets, gunny cloth or matting bundles.	.. Preferential Revenue	Rs. 15.00 per quintal	..	Rs. 15.00 per quintal less 10 per cent <i>ad</i> <i>valorem</i> .	..
(D)	Pistachio nuts— (a) with shell	.. Preferential Revenue	Rs. 200.00 per quintal	..	Rs. 200.00 per quintal less 10 per cent <i>ad</i> <i>valorem</i> .	..
	(b) without shell	.. Preferential Revenue	Rs. 500.00 per quintal	..	Rs. 500.00 per quintal less 10 per cent <i>ad</i> <i>valorem</i> .	..
(E)	Raisins— (a) Red, including Guldani and Lalmewa, in all packings and containers.	.. Preferential Revenue	Rs. 100.00 per quintal	..	Rs. 100.00 per quintal less 10 per cent <i>ad</i> <i>valorem</i> .	..
	(b) Black, including black Monacca, in all packings and containers.	.. Preferential Revenue	Rs. 130.00 per quintal	..	Rs. 130.00 per quintal less 10 per cent <i>ad</i> <i>valorem</i> .	..
	(c) All other sorts, including Monacca and Abjosh, in all packings and containers.	.. Preferential Revenue	Rs. 200.00 per quintal	..	Rs. 200.00 per quintal less 10 per cent <i>ad</i> <i>valorem</i> .	..
(F)	Other sorts	..	60 per cent <i>ad</i> <i>valorem</i>	..	50 per cent <i>ad</i> <i>valorem</i>	..

Assented to on 2-5-1964

## THE COMPANIES (PROFITS) SURTAX ACT, 1964

(ACT No. 7 OF 1964)

AN  
ACT

to impose a special tax on the profits of certain companies.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. *Short title and extent.*—(1) This Act may be called the Companies (Profits) Surtax Act, 1964.

(2) It extends to the whole of India.

2. *Definitions.*—In this Act, unless the context otherwise requires,—

(1) "assesse" means a person by whom surtax or any other sum of money is payable under this Act and includes every person in respect of whom any proceeding under this Act has been taken for the assessment of his chargeable profits or of the amount of refund due to him or of the chargeable profits of any other person in respect of which he is assessable or of the amount of refund due to such other person;

(2) "assessment" includes re-assessment;

(3) "assessment year" means the period of twelve months commencing on the 1st day of April, every year;

(4) "board" means the Central Board of Direct Taxes constituted under the Central Boards of Revenue Act, 1963 (54 of 1963);

(5) "chargeable profits" means the total income of an assessee computed under the Income-tax Act, 1961 (43 of 1961), for any previous year or years, as the case may be, and adjusted in accordance with the provisions of the First Schedule;

(6) "Income-tax Act" means the Income-tax Act, 1961 (43 of 1961);

(7) "prescribed" means prescribed by rules made under this Act;

(8) "statutory deduction" means an amount equal to ten per cent of the capital of the company as computed in accordance with the provisions of the Second Schedule, or an amount of two hundred thousand rupees, whichever is greater;

Provided that where the previous year is longer or shorter than a period of twelve months, the aforesaid amount of ten per cent or, as the case may be, of two hundred thousand rupees shall be increased or decreased proportionately;

Provided further that where a company has different previous years in respect of its income, profits and gains, the aforesaid increase or decrease, as the case may be, shall be calculated with reference to the length of the previous year of the longest duration; and

(9) all other words and expressions used herein but not defined and defined in the Income-tax Act shall have the meanings respectively assigned to them in that Act.

3. *Tax authorities.* (1) Every Director of Inspection, Commissioner of Income-tax, Appellate Assistant Commissioner of Income-tax, Inspecting Assistant Commissioner of Income-tax and Income-tax Officer shall have the like powers and perform the like functions, under this Act as he has and performs under the Income-

tax Act, and for the exercise of his powers and the performance of his functions, his jurisdiction under this Act will be the same as that he has under the Income-tax Act.

(2) All officers and persons employed in the execution of this Act shall observe and follow the orders, instructions and directions of the Board;

Provided that no such orders, instructions or directions shall be given so as to interfere with the discretion of the Appellate Assistant Commissioner in the exercise of his appellate functions.

(3) Every Income-tax Officer, employed in the execution of this Act, shall observe and follow the orders, instructions and directions issued for his guidance by the Director of Inspection or by the Commissioner or by the Inspecting Assistant Commissioner under whose jurisdiction he performs his functions.

4. *Charge of tax.*—Subject to the provisions contained in this Act, there shall be charged on every company for every assessment year commencing on and from the first day of April, 1964, a tax (in this Act referred to as the surtax) in respect of so much of its chargeable profits of the previous year or previous years, as the case may be, as exceed the statutory deduction, at the rate or rates specified in the Third Schedule.5. *Return of chargeable profits.*—(1) In the case of every company whose chargeable profits assessable under this Act exceeded during the previous year the amount of statutory deduction, its principal officer, or where in the case of a non-resident company any person has been treated as its agent under section 163 of the Income-tax Act, such person, shall furnish a return of the chargeable profits of the company during the previous year in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed, before the 30th day of September of the assessment year;

Provided that on an application made in this behalf, the Income-tax Officer may, in his discretion, extend the date for the furnishing of the return.

(2) In the case of any company which in the Income-tax Officer's opinion is assessable under this Act, the Income-tax Officer may, before the end of the relevant assessment year, serve a notice upon its principal officer, or where in the case of a non-resident company any person has been treated as its agent under section 163 of the Income-tax Act, upon such person, requiring him to furnish within thirty days from the date of service of the notice a return of the chargeable profits of the company during the previous year in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed;

Provided that on an application made in this behalf, the Income-tax Officer may, in his discretion, extend the date for the furnishing of the return.

(3) Any assessee who has not furnished a return during the time allowed under sub-section (1) or sub-section (2), or having furnished a return under sub-section (1) or sub-section (2) discovers any omission or wrong statement therein, may furnish a return or a revised return, as the case may be, at any time before the assessment is made.



6. *Assessment.*—(1) For the purposes of making an assessment under this Act, the Income-tax Officer may serve on any person who has furnished a return under sub-section (1) of section 5 or upon whom a notice has been served under sub-section (2) of section 5 (whether a return has been furnished or not) a notice requiring him on a date therein to be specified, to produce or cause to be produced such accounts or documents or evidence as the Income-tax Officer may require for the purposes of this Act and may from time to time serve further notices requiring the production of such further accounts or documents or other evidence as he may require.

(2) The Income-tax Officer, after considering such accounts, documents or evidence, if any, as he has obtained under sub-section (1) and after taking into account any relevant material which he has gathered, shall, by an order in writing, assess the chargeable profits and the amount of the surtax payable on the basis of such assessment.

7. *Provisional assessment.*—(1) The Income-tax Officer, before proceeding to make an assessment under section 6 (in this section referred to as the regular assessment) may, at any time after the expiry of the period allowed under sub-section (1) or sub-section (2) of section 5 for the furnishing of the return and whether the return has or has not been furnished, proceed to make in a summary manner a provisional assessment of the chargeable profits and the amount of the surtax payable thereon.

(2) Before making such provisional assessment, the Income-tax Officer shall give notice in the prescribed form to the person on whom the provisional assessment is to be made of his intention to do so, and shall with the notice forward a statement of the amount of the proposed assessment, and the said person shall be entitled to deliver to the Income-tax Officer at any time within fourteen days of the service of the said notice a statement of his objections, if any, to the amount of the proposed assessment.

(3) On expiry of the said fourteen days from the date of service of the notice referred to in sub-section (2), or earlier, if the assessee agrees to the proposed provisional assessment, the Income-tax Officer may, after taking into account the objections, if any, made under sub-section (2), make a provisional assessment, and shall furnish a copy of the order of the assessment to the assessee.

Provided that assent to the amount of the provisional assessment, or failure to make objection to it, shall in no way prejudice the assessee in relation to the regular assessment.

(4) There shall be no right of appeal against a provisional assessment made under this section.

(5) After a regular assessment has been made, any amount paid or deemed to have been paid towards the provisional assessment made under this section shall be deemed to have been paid towards the regular assessment; and where the amount paid or deemed to have been paid towards the provisional assessment exceeds the amount payable under the regular assessment, the excess shall be refunded to the assessee.

8. *Profits escaping assessment.*—If—

(a) the Income-tax Officer has reason to believe that by reason of the omission or failure on the part of the assessee to make a return under section 5 for any assessment year or to disclose fully and truly all material facts necessary for his assessment for any assessment year, chargeable profits for that year have escaped assessment or have been under assessed or assessed at too low a rate or have been made the subject of excessive relief under this Act, or

(b) notwithstanding that there has been no omission or failure as mentioned in clause (a) on the part of the assessee, the Income-tax Officer has in consequence of information in his possession reason to believe that chargeable profits assessable for any assessment year have escaped assessment or have been under-assessed or assessed at too low a rate or have been the subject of excessive relief under this Act,

he may, in cases falling under clause (a) at any time, and in cases falling under clause (b) at any time within four years of the end of that assessment year, serve on the assessee a notice containing all or any of the requirements which may be included in a notice under section 5, and may proceed to assess or re-assess the amount chargeable to surtax, and the provisions of this Act shall, so far as may be, apply as if the notice were a notice issued under that section.

9. *Penalties.*—If the Income-tax Officer, in the course of any proceedings under this Act, is satisfied that any person has, without reasonable cause, failed to furnish the return required under section 5, or to produce or cause to be produced the accounts, documents or other evidence required by the Income-tax Officer under sub-section (1) of section 6, or has concealed the particulars of the chargeable profits or has furnished inaccurate particulars of such profits, he may direct that such person shall pay, by way of penalty, in addition to the amount of surtax payable, a sum not exceeding—

(a) where the person has failed to furnish the return required under section 5, the amount of surtax payable;

(b) in any other case, the amount of surtax which would have been avoided if the return made had been accepted as correct;

Provided that the Income-tax Officer shall not impose any penalty under this section without the previous authority of the

Inspecting Assistant Commissioner.

10. *Opportunity of being heard.*—No order imposing a penalty under section 9 shall be made unless the assessee has been given reasonable opportunity of being heard.

11. *Appeals to the Appellate Assistant Commissioner.*—(1) A person objecting to the amount of surtax for which he is liable assessed by the Income-tax Officer or denying his liability to be assessed under this Act, or objecting to any penalty or fine imposed by the Income-tax Officer, or to the amount allowed by the Income-tax Officer by way of any relief under any provisions of this Act, or any refusal by the Income-tax Officer to grant relief or to an order of rectification or amendment having the effect of enhancing assessment or reducing the refund, or to an order refusing to all, the claim made by the assessee for a rectification under section 13, amendment under section 14 may appeal to the Appellate Assistant Commissioner.

(2) Every appeal shall be in the prescribed form and shall be verified in the prescribed manner.

(3) An appeal shall be presented within thirty days of the following date, that is to say—

(a) where the appeal relates to assessment or penalty or fine, the date of service of the notice of demand relating to the assessment or penalty or fine, or

(b) in any other case, the date on which the intimation of the order sought to be appealed against is served;

Provided that the Appellate Assistant Commissioner may admit an appeal after the expiration of the said period if he is satisfied that the appellant had sufficient cause for not presenting within that period.

(4) The Appellate Assistant Commissioner shall hear and determine the appeal and, subject to the provisions of this Act, pass such orders as he thinks fit and such orders may include an order enhancing the assessment or penalty.

Provided that an order enhancing the assessment or penalty shall not be made unless the person affected thereby has been given reasonable opportunity of showing cause against such enhancement.

(5) The procedure to be adopted in the hearing and determination of the appeals shall, with any necessary modification, be in accordance with the procedure applicable in relation to income-tax.

12. *Appeals to Appellate Tribunal.*—(1) Any assessee aggrieved by an order passed by a Commissioner under section 16, or an order passed by an Appellate Assistant Commissioner under any provision of this Act, may appeal to the Appellate Tribunal against such order.

(2) The Commissioner may, if he objects to any order passed by the Appellate Assistant Commissioner under any provision of this Act, direct the Income-tax Officer to appeal to the Appellate Tribunal against the order.

(3) Every appeal under sub-section (1) or sub-section (2) shall be filed within sixty days of the date on which the order sought to be appealed against is communicated to the assessee or to the Commissioner, as the case may be.

(4) The Income-tax Officer or the assessee, as the case may be, on receipt of notice that an appeal against the order of the Appellate Assistant Commissioner has been preferred under sub-section (1) or sub-section (2) by the other party may, notwithstanding that he may not have appealed against such order or any part thereof, within thirty days of the receipt of the notice, file a memorandum of cross-objections, verified in the prescribed manner, against any part of the order of the Appellate Assistant Commissioner, and such memorandum shall be disposed of by the Appellate Tribunal as if it were an appeal presented within the time specified in sub-section (3).

(5) The Appellate Tribunal may admit an appeal or permit filing of a memorandum of cross-objections after the expiry of the relevant period referred to in sub-section (3) or sub-section (4), if it is satisfied that there was sufficient cause for not presenting within that period.

(6) An appeal to the Appellate Tribunal shall be in the prescribed form and shall be verified in the prescribed manner and, except in the case of an appeal referred to in sub-section (2), a memorandum of cross-objections referred to in sub-section (4), accompanied by a fee of one hundred rupees.

(7) Subject to the provisions of this Act, in hearing and making order on any appeal under this section, the Appellate Tribunal shall exercise the same powers and follow the same procedure as exercises and follows in hearing and making an order on any appeal under the Income-tax Act.

13. *Rectification of mistakes.*—(1) With a view to rectify any mistake apparent from the record, the Commissioner, Income-tax Officer, the Appellate Assistant Commissioner and Appellate Tribunal may, of his, or its, own motion or on an application by the assessee in this behalf, amend any order passed by him in any proceeding under this Act within four years of the date on which such order was passed.

(2) An amendment which has the effect of enhancing the assessment or reducing a refund or otherwise increasing the liability of assessee shall not be made under this section unless the authority concerned has given notice to the assessee of its intention so to

and has allowed the assessee a reasonable opportunity of being heard.

(3) Where an amendment is made under this section, the order shall be passed in writing by the authority concerned.

(4) Subject to the other provisions of this Act, where any such amendment has the effect of reducing the assessment, the Income-tax Officer shall make any refund which may be due to such assessee.

(5) Where any such amendment has the effect of enhancing the assessment or reducing the refund already made, the Income-tax Officer shall serve on the assessee a notice of demand in the prescribed form specifying the sum payable.

14. *Other amendments.*—Where as a result of any order made under section 154 or section 155 of the Income-tax Act, it is necessary to recompute the chargeable profits determined in any assessment under this Act, the Income-tax Officer may proceed to recompute the chargeable profits, determine the surtax payable or refundable on the basis of such recomputation and make the necessary amendment and the provisions of section 13 shall, so far as may be, apply thereto, the period of four years specified in sub-section (1) of that section being reckoned from the date of the order passed under the aforesaid sections of the Income-tax Act.

15. *Surtax deductible in computing distributable income under income-tax Act.*—Notwithstanding anything contained in clause (i) of section 109 of the Income-tax Act, in computing the distributable income of a company for the purposes of Chapter XI-D of that Act, the surtax payable by the company for any assessment year shall be deductible from the total income of the company assessable for that assessment year.

16. *Revision of orders prejudicial to revenue.*—(1) The Commissioner may call for and examine the record of any proceeding under this Act, and if he considers that any order passed therein by the Income-tax Officer is erroneous in so far as it is prejudicial to the interests of the revenue, he may, after giving the assessee an opportunity of being heard and after making or causing to be made such inquiry as he deems necessary, pass such order thereon as the circumstances of the case justify, including an order enhancing or modifying the assessment, or cancelling the assessment and directing a fresh assessment.

(2) No order shall be made under sub-section (1)—

(a) to revise an order of re-assessment made under section 8, or

(b) after the expiry of two years from the date of the order sought to be revised.

(3) Notwithstanding anything contained in sub-section (2), an order in revision under this section may be passed at any time in the case of an order which has been passed in consequence of, or give effect to, any finding or direction contained in an order of the Appellate Tribunal, the High Court or the Supreme Court.

*Explanation.*—In computing the period of limitation for the purposes of sub-section (2), any period during which any proceeding under this section is stayed by an order or injunction of any court shall be excluded.

17. *Revision of orders by Commissioner.*—(1) The Commissioner may, either of his own motion or on an application by the assessee or revision, call for the record of any proceeding under this Act which has been taken by an Income-tax Officer or Appellate Assistant Commissioner subordinate to him and may make such inquiry or cause such inquiry to be made and, subject to the provisions of this Act, may pass such order thereon, not being an order prejudicial to the assessee, as he thinks fit.

(2) The Commissioner shall not of his own motion revise any order under this section if the order has been made more than one year previously.

(3) In the case of an application for revision under this section by the assessee, the application shall be made within one year from the date on which the order in question was communicated to him or the date on which he otherwise came to know of it, whichever is earlier.

Provided that the Commissioner may, if he is satisfied that the assessee was prevented by sufficient cause from making the application within that period, admit an application made after the expiry of that period.

(4) The Commissioner shall not revise any order under this section in the following cases—

(a) where an appeal against the order lies to the Appellate Assistant Commissioner or to the Appellate Tribunal but has not been made and the time within which such appeal may be made has not expired, or, in the case of an appeal to the Appellate Tribunal, the assessee has not waived his right of appeal; or

(b) where the order is pending on an appeal before the Appellate Assistant Commissioner; or

(c) where the order has been made the subject of an appeal to the Appellate Tribunal.

(5) Every application by an assessee for revision under this section shall be accompanied by a fee of twenty-five rupees.

*Explanation 1.*—An order by the Commissioner declining to interfere shall, for the purposes of this section, be deemed not to

be an order prejudicial to the assessee.

*Explanation 2.*—For the purposes of this section, the Appellate Assistant Commissioner shall be deemed to be an authority subordinate to the Commissioner.

18. *Application of provisions of Income-tax Act.*—The provisions of the following sections and Schedules of the Income-tax Act and the Income-tax (Certificate Proceedings) Rules, 1962, as in force from time to time, shall apply with such modifications, if any, as may be prescribed, as if the said provisions and the rules referred to surtax instead of to income-tax and super-tax:—

2(44), 131 to 136 (both inclusive), 138, 140, 156, 160, 161, 162, 163, 166, 167, 170, 173, 175, 176, 178, 179, 220 to 229 (both inclusive), 231, 232, 233, 237 to 242 (both inclusive) 244, 245, 254 to 262 (both inclusive), 265, 266, 268, 269, 281, 282, 284, 287 to 293 (both inclusive), the Second Schedule and the Third Schedule.

Provided that references in the said provisions and the rules to the "assessee" shall be construed as references to an assessee as defined in this Act.

19. *Income-tax papers to be available for the purposes of this Act.*—

(1) Notwithstanding anything contained in the Income-tax Act, all information contained in any statement or return made or furnished under the provisions of that Act or obtained or collected for the purposes of that Act may be used for the purposes of this Act.

(2) All information contained in any statement or return made or furnished under the provisions of this Act or obtained or collected for the purposes of this Act may be used for the purposes of the Income-tax Act.

20. *Failure to deliver returns, etc.*—If any person fails without reasonable cause to furnish in due time any return under sub-section (2) of section 5, or to produce, or cause to be produced, any accounts or documents required to be produced under section 6, he shall be punishable with fine which may extend to five hundred rupees, and with a further fine which may extend to ten rupees for every day during which the default continues.

21. *False statements.*—If a person makes in any return furnished under section 5, any statement which is false, and which he either knows or believes to be false, or does not believe to be true, he shall be punishable with simple imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

22. *Abetment of false returns, etc.*—If a person makes or induces in any manner another person to make and deliver any account, statement or declaration relating to chargeable profits liable to surtax which is false and which he either knows to be false or does not believe to be true, he shall be punishable with simple imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

23. *Institution of proceedings and composition of offences.*—(1) A person shall not be proceeded against for an offence under section 20 or section 21 or section 22 or under the Indian Penal Code (45 of 1860) except at the instance of the Commissioner.

(2) The Commissioner may, either before or after the institution of proceedings, compound any offence punishable under section 20 or section 21 or section 22.

24. *Power to make exemption, etc., in relation to certain Union territories.*—If the Central Government considers it necessary or expedient so to do for avoiding any hardship or anomaly or removing any difficulty that may arise as a result of the application of this Act to the Union territories of Dadra and Nagar Haveli, Goa, Daman and Diu and Pondicherry, the Central Government may, by general or special order, make an exemption, reduction in rate or other modification in respect of surtax in favour of any class of assessee or in regard to the whole or any part of the chargeable profits of any class of assessee.

25. *Power to make rules.* (1) The Board may, subject to the control of the Central Government, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the form in which returns under section 5 may be furnished and the manner in which they may be verified;

(b) the form in which notice for making provisional assessment shall be given;

(c) the form in which appeals under section 11 or section 12 may be filed and the manner in which they shall be verified;

(d) the procedure to be followed on applications for rectification of mistakes and applications for refunds;

(e) any other matter which by this Act is to be, or may be, prescribed.

(3) The Central Government shall cause every rule made under this section to be laid as soon as may be after it is made before each House of Parliament while it is in session for a total period of thirty days, which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so

laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, that rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

26. *Saving*.—Nothing contained in this Act shall apply to any company which has no share capital.

## THE FIRST SCHEDULE

[See section 2(5)]

### RULES FOR COMPUTING THE CHARGEABLE PROFITS

In computing the chargeable profits of a previous year, the total income computed for that year under the Income-tax Act shall be adjusted as follows:—

1. Income, profits and gains and other sums falling within the following clauses shall be excluded from such total income, namely:—
  - (i) any income chargeable under the Income-tax Act under the head "Capital gains";
  - (ii) any compensation or other payment as is referred to in clause (ii) of section 28 of the Income-tax Act;
  - (iii) profits and gains of any business of life insurance;
  - (iv) any income referred to in sub-section (2) of section 41 of the Income-tax Act;
  - (v) the amount of profits and gains derived from an industrial undertaking or hotel, on which under section 84 of the Income-tax Act income-tax is not payable;
  - (vi) income chargeable under the Income-tax Act under the head "Interest on securities" derived from any security of the Central Government issued or declared to be income-tax free or from any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government;
  - (vii) any sum in respect of which a deduction of income-tax is allowed under the provisions of section 88 of the Income-tax Act;
  - (viii) income by way of dividends from an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India;
  - (ix) income by way of royalties received from Government or a local authority or any Indian concern;
  - (x) in the case of a non-resident company which has not made the prescribed arrangements for the declaration and payment of dividends within India, its income by way of any interest or fees for rendering technical services received from Government or a local authority or any Indian concern;
  - (xi) in the case of a banking company—
    - (a) any sum which during the previous year is transferred by it to a reserve fund under sub-section (1) of section 17 of the Banking Companies Act, 1949 (10 of 1949) or is deposited by it with the Reserve Bank of India under sub-clause (ii) of clause (b) of sub-section (2) of section 11 of that Act, not exceeding the amount required under the aforesaid provisions to be so transferred or deposited, as the case may be, or
    - (b) any sum transferred by it during the previous year to any reserves in India including reserves not shown as such in its published balance-sheet in so far as the sums transferred to such reserves are attributable to income chargeable to tax under the Income-tax Act and have not been allowed as a deduction in computing its total income under that Act and in so far as the aggregate of such sums does not exceed the highest of the aggregate of such sums, if any, so transferred during any one of the three years prior to the previous year, whichever is higher;
  - (xii) the amount of any deduction from the income-tax and super-tax chargeable on the total income allowed under the annual Finance Act in connection with export of any goods or merchandise out of India or the sale by a manufacturer of any articles to any person who exports them out of India.
2. The balance of the total income arrived at after making the exclusions mentioned in rule 1 shall be reduced by—
  - (i) the amount of income-tax and super-tax payable by the company in respect of its total income under the provisions of the Income-tax Act after making allowance for any relief, rebate or deduction in respect of income-tax and super-tax to which the company may be entitled under the provisions of the said Act or the annual Finance Act, and after excluding from such amount—
    - (a) the amount of income-tax and super-tax, if any, payable by the company in respect of any income

referred to in clause (i) or clause (ii) or clause (iii) or clause (viii) of rule 1 included in the total income;

(b) an amount equal to the amount by which the rebate of super-tax admissible to the company under the provisions of the annual Finance Act is, under the provisions of the said Act, reduced with reference to any amount of dividends distributed by the company during the previous year relevant to the assessment year;

(ii) in the case of a company which has been charged to tax in a country outside India on any portion of its income, profits and gains included in its total income as computed under the Income-tax Act, the tax actually paid in respect of such income, profits and gains in the said country in accordance with the laws in force in that country after allowance of every relief due under the said laws;

Provided that the aforesaid reduction shall not be allowed unless the assessee produces evidence of the fact of the payment of the aforesaid tax in that country.

3. The net amount of income calculated in accordance with rule 2 shall be increased by the aggregate of—

- (i) the amount of any interest payable by the company in respect of its debentures or moneys referred to in clause (v) of rule 1 of the Second Schedule for the previous year relevant to the assessment year allowed as a deduction in computing its total income;
  - (ii) any expenditure incurred on account of commission, entertainment and advertisement, to the extent such expenditure, in the opinion of the Income-tax Officer, is excessive having regard to the circumstances of the case.
- Provided that the previous authority of the Inspecting Assistant Commissioner is obtained for holding such expenditure to be excessive.

## THE SECOND SCHEDULE

[See section 2 (8)]

### RULES FOR COMPUTING THE CAPITAL OF A COMPANY FOR THE PURPOSES OF SURTAX

1. Subject to the other provisions contained in this Schedule, the capital of a company shall be the aggregate of the amounts, as on the first day of the previous year relevant to the assessment year, of—

- (i) its paid-up share capital;
- (ii) its reserves, if any, created under the proviso (b) to clause (vib) of sub-section (2) of section 10 of the Indian Income-tax Act 1922 (11 of 1922) or under sub-section (3) of section 34 of the Income-tax Act, 1961 (43 of 1961);
- (iii) its other reserves as reduced by the amounts credited to such reserves as have been allowed as a deduction in computing the income of the company for the purposes of the Indian Income-tax Act, 1922 (11 of 1922) or the Income-tax Act, 1961 (43 of 1961);
- (iv) its debentures, if any; and
- (v) any moneys borrowed by it from Government or the industrial Finance corporation of India or the Industrial Credit and Investment Corporation of India or any other financial institution which the Central Government may notify in this behalf in the Official Gazette or any banking institution (not being a financial institution notified as aforesaid) or any person in a country outside India;

Provided that such moneys are borrowed for the creation of a capital asset in India and the agreement under which such moneys are borrowed provides for the repayment thereof during a period of not less than seven years.

*Explanation*.—For the removal of doubts it is hereby declared that any amount standing to the credit of any account in the books of a company as on the first day of the previous year relevant to the assessment year which is of the nature of item (5) or item (6) or item (7) under the heading "RESERVES AND SURPLUS" or of any item under the heading "CURRENT LIABILITIES AND PROVISIONS" in the column relating to "LIABILITIES" in the "FORM OF BALANCE-SHEET" given in Part I of Schedule VI to the Companies Act, 1956 (1 of 1956) shall not be regarded as a reserve for the purposes of computation of the capital of a company under the provisions of this Schedule.

2. Where a company owns any assets the income from which in accordance with clause (iii) or clause (vi) or clause (viii) of rule 1 of the First Schedule is required to be excluded from its total income in computing its chargeable profits, the amount of its capital as computed under rule 1 of this Schedule shall be diminished by the cost to it of the said assets as on the first day of the previous year relevant to the assessment year in so far as such cost exceeds the aggregate of—

- (i) any moneys borrowed [other than the debentures referred to in clause (iv) or moneys referred to in clause (v) of rule 1] and remaining outstanding as on the first day of the said previous year; and

(ii) the amount of any fund, any surplus and any such reserve as is not to be taken into account in computing the capital under rule 1.

*Explanation 1.*—A paid-up share capital or reserve brought into existence by creating or increasing (by revaluation or otherwise) any book asset is not capital for computing the capital of a company for the purposes of this Act.

*Explanation 2.*—Any premium received in cash by the company on the issue of its shares standing to the credit of the share premium account shall be regarded as forming part of its paid-up share capital.

*Explanation 3.*—Where a company has different previous years in respect of its income, profits and gains, the computation of capital under rules 1, 2 and 3 shall be made with reference to the previous year which commenced first.

3. Where after the first day of the previous year relevant to the assessment year the capital of a company as computed in accordance with the foregoing rules of this Schedule is increased by any amount during that previous year on account of increase of paid-up share capital or issue of debentures or borrowing of any moneys referred to in clause (r) of rule 1 or is reduced by any amount on account of reduction of paid-up share capital or redemption of any debentures or repayment of any such moneys, such capital shall be increased or reduced, as the case may be, by a sum which bears to that amount the same proportion as the number of days of the previous year during which the increase or the reduction remained effective bears to the total number of days in that previous year.

4. Where a part of the income, profits and gains of a company is not includible in its total income as computed under the Income-tax Act, its capital shall be the sum ascertained in accordance with rules 1, 2 and 3, diminished by an amount which bears to that sum the same proportion as the amount of the aforesaid income, profits and gains bears to the total amount of its income, profits and gains.

### THE THIRD SCHEDULE

(See section 4)

#### RATES OF SURTAX

1. On the amount by which the chargeable profits exceed the amount of the statutory deduction—40 per cent:

Provided that where the total income of an assessee, being an Indian company or any other company which has made the prescribed arrangements for the declaration and payment of dividends within India, includes any income, profits and gains attributable to the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in paragraph 2, the assessee shall be entitled to a rebate equal to a sum of one-fifth of the amount which bears to the amount of the surtax payable by the assessee, the same proportion as the amount of the aforesaid inclusion bears to the amount of the total income of the assessee:

Provided further that if the Central Government, having regard to the stage of development of any industry and other relevant factors, considers it necessary or expedient so to do, it may, at any time by general or special order withdraw the benefit conferred by the preceding proviso in respect of the business of generation or distribution of electricity or of manufacture or production of any article specified in the said list or extend such benefit to any other business and such order shall have effect for the purposes of assessment under this Act for any such assessment year (not being the assessment year commencing on the first day of April, 1964) as may be specified in the said order.

2. The list of articles referred to in paragraph 1 shall be as follows:—

- (1) Iron and steel (metal), ferro-alloys and special steels.
- (2) Aluminium, copper, lead and zinc (metals).
- (3) Coal lignite, iron ore, bauxite, manganese ore, dolomite, magnesite and mineral oil.
- (4) Industrial machinery specified under the heading "8, Industrial Machinery", sub-heading "A. Major items of specialised equipment used in specific industries", of the first Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951).
- (5) Boilers and steam generating plants, steam engines and turbines and internal combustion engines.
- (6) Equipment for the generation and transmission of electricity including transformers, cables and transmission towers.
- (7) Machine tools, precision tools, dies and jigs.
- (8) Tractors and earth-moving machinery.
- (9) Steel castings and forgings.
- (10) Cement and refractories.
- (11) Fertilisers, namely, ammonium sulphate, ammonium sulphate nitrate (double salt), ammonium nitrate (nitrolime stone), ammonium chloride, super phosphate, urea and complex fertilisers of synthetic origin containing both nitrogen and phosphorus, such as ammonium phosphates, ammonium sulphate phosphate and ammonium nitro phosphate.

(12) Paper and pulp.

(13) Tea.

(14) Electronic equipment, namely, radar equipment, computers, electronic accounting and business machines, electronic communication equipment, electronic control instruments and basic components, such as valves, transistors, resistors, condensers, coils, magnetic materials and micro wave components.

(15) Petrochemicals including corresponding products manufactured from other basic raw materials, namely, calcium carbide, ethyl alcohol or hydrocarbons from other sources.

(16) component parts of the articles mentioned in items Nos. (4) (5), (6) and (8), that is to say, such parts as are essential for the working of the machinery referred to in items aforesaid and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose and are in complete finished form and ready for fitment.

Assented to on 12-5-64

### THE DRUGS AND COSMETICS (AMENDMENT) ACT, 1964

Act No. 13 of 1964

AN

ACT

Further to amend the Drugs and Cosmetics Act, 1940.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Drugs and Cosmetics (Amendment) Act, 1964.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different provisions of this Act.

2. *Amendment of section 3.*—In section 3 of the Drugs and Cosmetics Act, 1940 (23 of 1940) (hereinafter referred to as the principal Act),—

(a) clauses (a) and (aa) shall be re-lettered as clauses (aa) and (aaa) respectively, and—

(i) before clauses (aa) as so re-lettered, the following clause shall be inserted, namely:—

“(a) “Ayurvedic (including Siddha) or Unani drug” includes all medicines intended for internal or external use for or in the diagnosis, treatment, mitigation or prevention of disease in human beings, mentioned in, and processed and manufactured exclusively in accordance with the formulae described in, the authoritative books of Ayurvedic (including Siddha) and Unani (Tibb) systems of medicine, specified in the First Schedule;”

(ii) for clause (aa) as so re-lettered, the following clause shall be substituted, namely:—

“(aa) “the Board means—

(i) in relation to Ayurvedic (including Siddha) or Unani Drug, the Ayurvedic and Unani Drugs Technical Advisory Board constituted under section 33C; and

(ii) in relation to any other drug or cosmetic, the Drugs Technical Advisory Board constituted under section 5;”

(b) in clause (b),—

(i) in sub-clause (i), the words “other than medicines and substances exclusively used or prepared for use in accordance with the Ayurvedic or Unani systems of medicine” shall be omitted;

(ii) in sub-clause (ii), for the word “vermins”, the word “vermin” shall be substituted;

(c) for clause (c), the following clause shall be substituted, namely:—

(c) “Government Analyst” means—

(i) in relation to Ayurvedic (including Siddha) or Unani drug, a Government Analyst appointed by the Central Government or a State Government under section 33F; and

(ii) in relation to any other drug or cosmetic, a Government Analyst appointed by the Central Government or a State Government under section 20;”

(d) for clause (e), the following clause shall be substituted, namely:—

(e) “Inspector” means—

(i) in relation to Ayurvedic (including Siddha) or Unani drug, an Inspector appointed by the Central Government or a State Government under section 33G; and

(ii) in relation to any other drug or cosmetic, an Inspector appointed by the Central Government or a State Government under section 21;”

9) for clause (h), the following clause shall be substituted, namely:—

“(h) ‘patent or proprietary medicine’ means a drug which is a remedy or prescription presented in a form ready for internal or external administration of human beings or animals and which is not included in the edition of the Indian pharmacopoeia for the time being or in any other pharmacopoeia authorised in this behalf by the Central Government after consultation with the Board;”.

3. *Amendment of section 4.*—In section 4 of the principal Act, after the word and figures “Chapter IV” wherever they occur, the words, figures and letter “ or Chapter IVA” shall be inserted.

4. *Amendment of section 5.*—In section 5 of the principal Act,—  
(a) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) The Board shall consist of the following members, namely:—

- (i) the Director General of Health Services, *ex officio*, who shall be Chairman;
- (ii) the Drugs Controller, India, *ex officio*;
- (iii) the Director of the Central Drugs Laboratory, Calcutta, *ex officio*;
- (iv) the Director of the Central Research Institute, Kasauli, *ex officio*;
- (v) the Director of the Indian Veterinary Research Institute, Izatnagar, *ex officio*;
- (vi) the President of the Medical Council of India, *ex officio*;
- (vii) the President of the Pharmacy Council of India, *ex officio*;
- (viii) the Director of the Central Drug Research Institute, Lucknow, *ex officio*;
- (ix) two persons to be nominated by the Central Government from among persons who are in charge of drugs control in the States;
- (x) one person, to be elected by the executive Committee of the Pharmacy Council of India, from among teachers in pharmacy or pharmaceutical chemistry or pharmacognosy on the staff of an Indian University or a college affiliated thereto;
- (xi) one person, to be elected by the Executive Committee of the Medical Council of India, from among teachers in medicine or therapeutics on the staff of an Indian university or a college affiliated thereto;
- (xii) one person to be nominated by the Central Government from the pharmaceutical industry;
- (xiii) one pharmacologist to be elected by the Governing body of the Indian Council of Medical Research;
- (xiv) one person to be elected by the Central Council of the Indian Medical Association;
- (xv) one person to be elected by the Council of the Indian Pharmaceutical Association;
- (xvi) two persons holding the appointment of Government Analyst under this Act, to be nominated by the Central Government;

(b) in sub-section (3), for the proviso, the following proviso shall be substituted, namely:—

“Provided that the person nominated or elected, as the case may be, under clause (ix) or clause (x) or clause (xi) or clause (xvi) of sub-section (2) shall hold office for so long as he holds the appointment of the office by virtue of which he was nominated or elected to the Board.”.

5. *Amendment of section 6.*—In section 6 of the principal Act, in clause (d) of sub-section (2), for the words and figures “under Chapter IV”, the words, figures and letter “under Chapter IV or Chapter IVA” shall be substituted.

6. *Insertion of new section 7A.*—In Chapter II of the principal Act, after section 7, the following section shall be inserted, namely:—

“7A. Sections 5 and 7 not to apply to Ayurvedic (including Siddha) or Unani drugs.—Nothing contained in sections 5 and 7 shall apply to Ayurvedic (including Siddha) or Unani drugs.”.

7. *Amendment of section 8.*—In section 8 of the principal Act, for the words “the Schedule” wherever they occur, the words “the Second Schedule” shall be substituted.

8. *Insertion of new section 9B.*—After section 9A of the principal Act, the following section shall be inserted, namely:—

“9B. *Adulterated drugs.*—For the purposes of this Chapter, a drug shall be deemed to be adulterated—

- (a) if it consists, in whole or in part, of any filthy, putrid or decomposed substance; or
- (b) if it has been prepared, packed or stored under in sanitary conditions whereby it may have been contaminated with filth or whereby it may have been rendered injurious to health; or
- (c) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health; or
- (d) if it bears or contains, for purposes of colouring only,

a colour other than one which is prescribed; or

(e) if any substance has been—

- (i) mixed or packed therewith so as to reduce its quality or strength; or
- (ii) substituted wholly or in part therefor.

*Explanation.*—For the purpose of clause (a), a drug shall not be deemed to consist, in whole or in part, of any decomposed substance only by reason of the fact that such decomposed substance is the result of any natural decomposition of the drug within the period, if any, specified on the label of the drug within which the drug is to be used:

Provided that such decomposition is not due to any negligence on the part of the manufacturer of the drug or the in porter or the dealer thereof and that it does not render the drug injurious to health.”.

9. *Amendment of section 10.*—In section 10 of the principal Act, after clause (b), the following clause shall be inserted, namely:—

“(bb) any adulterated drug;”.

10. *Amendment of section 12.*—In section 12 of the principal Act, in sub-section (2), after clause (c), the following clause shall be inserted, namely:—

“(cc) prescribe under clause (d) of section 9B the colour or colours which a drug may bear or contain for purposes of colouring;”.

11. *Amendment of section 16.*—In section 16 of the principal Act, for the words “the Schedule” wherever they occur, the words “the Second Schedule” shall be substituted.

12. *Insertion of new section 17B.*—After section 17A of the principal Act, the following section shall be inserted, namely:—

“17B. *Adulterated drugs.*—For the purposes of this Chapter a drug shall be deemed to be adulterated—

- (a) if it consists, in whole or in part, of any filthy, putrid or decomposed substance; or
- (b) if it has been prepared, packed or stored under insanitary conditions whereby it may have been contaminated with filth or whereby it may have been rendered injurious to health; or
- (c) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health; or
- (d) if it bears or contains, for purposes of colouring only, a colour other than one which is prescribed; or
- (e) if any substance has been—  
(i) mixed or packed therewith so as to reduce its quality or strength; or  
(ii) substituted wholly or in part therefor.

*Explanation.*—For the purpose of clause (a), a drug shall not be deemed to consist, in whole or in part, of any decomposed substance only by reason of the fact that such decomposed substance is the result of any natural decomposition of the drug within the period, of any specified on the label of the drug within which the drug is to be used:

Provided that such decomposition is not due to any negligence on the part of the manufacturer of the drug or the dealer thereof and that it does not render the drug injurious to health.”.

13. *Amendment of section 18.*—In section 18 of the principal Act, in clause (a), after sub-clause (ii), the following sub-clause shall be inserted, namely:—

“(iia) any adulterated drug;”.

14. *Insertion of new section 18A.*—After section 18 of the principal Act, the following section shall be inserted, namely:—

“18A. *Disclosure of the name of the manufacturer, etc.*—Every person, not being the manufacturer of a drug or cosmetic or his agent for the distribution thereof, shall, if so required, disclose to the Inspector the name, address and other particulars of the person from whom he acquired the drug or cosmetic.”.

15. *Amendment of section 19.*—In section 19 of the principal Act,—

(a) in sub-section (2),—

- (i) for the words and figures “For the purposes of section 18 a drug or cosmetic shall not be deemed to be misbranded or to be below standard quality”, the words and figures “For the purposes of section 18 a drug shall not be deemed to be misbranded or adulterated or to be below standard quality nor shall a cosmetic be deemed to be misbranded or to be below standard quality” shall be substituted;
- (ii) clause (aa) shall be omitted;

(b) for sub-section (3), the following sub-section shall be substituted, namely:—

- “(3) A person, not being the manufacturer of a drug or cosmetic or his agent for the distribution thereof, shall not be liable for a contravention of section 18 if he proves—  
(a) that he acquired the drug or cosmetic from a duly licensed manufacturer, distributor or dealer thereof;

- (b) that he did not know and could not, with reasonable diligence, have ascertained that the drug or cosmetic in any way contravened the provisions of that section; and
- (c) that the drug or cosmetic, while in his possession, was properly stored and remained in the same state as when he acquired it."

16. *Amendment of section 23.*—In section 23 of the principal Act, for clause (iii) of sub-section (4), the following clause shall be substituted, namely:—

"(iii) the third, where taken, he shall send to the person, if any, whose name, address and other particulars have been disclosed under section 18A."

17. *Amendment of section 25.*—In section 25 of the principal Act,—

- (a) in sub-section (2), for the words, brackets and figures "and another copy to the warrantor, if any, named under the proviso to sub-section (3) of section 19", the words, figures and letter "and another copy to the person, if any, whose name, address and other particulars have been disclosed under section 18A" shall be substituted;
- (b) in sub-section (3), for the words "or the said warrantor", the words, figures and letter "or the person whose name, address and other particulars have been disclosed under section 18A" shall be substituted.

18. *Substitution of section 27.*—For section 27 of the principal Act, the following section shall be substituted, namely:—

"27. *Penalty for manufacture, sale etc., of drugs in contravention of this Chapter.*—Whoever himself or by any other person on his behalf manufactures for sale, sells, stocks or exhibits for sale or distributes—

- (a) any drug—  
(i) deemed to be misbranded under clause (a), clause (b), clause (c), clause (d), clause (f) or clause (g) of section 17 or adulterated under section 17B; or  
(ii) without a valid licence as required under clause (c) of section 18,

shall be punishable with imprisonment for a term which shall not be less than one year but which may extend to ten years and shall also be liable to fine;

Provided that the Court may, for any special reasons to be recorded in writing, impose a sentence of imprisonment of less than one year;

- (b) any drug other than a drug referred to in clause (a) in contravention of any of the provisions of this Chapter or any rule made thereunder shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both."

19. *Substitution of section 28.*—For section 28 of the principal Act, the following section shall be substituted, namely:—

"28. *Penalty for non-disclosure of the name of the manufacturer, etc.*—Whoever contravenes the provisions of section 18A shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to five hundred rupees, or with both."

20. *Amendment of section 30.*—In section 30 of the principal Act,—

- (a) in sub-section (1), for the words "five years" wherever they occur, the words "ten years" shall be substituted;
- (b) in sub-section (2),—  
(i) the words and figures "section 28 or" shall be omitted;  
(ii) for the words "two years", the words "ten years" shall be substituted.

21. *Amendment of section 31.*—In section 31 of the principal Act,—

- (a) in sub-section (1), the following shall be added at the end, namely:

"and if such contravention is in respect of—

- (i) manufacture of any drug deemed to be misbranded under clause (a), clause (b), clause (c), clause (d), clause (f) or clause (g) of section 17 or adulterated under section 17B; or

(ii) manufacture for sale, or sale, or stocking or exhibiting for sale, or distribution of any drug without a valid licence as required under clause (c) of section 18, any implements or machinery used in such manufacture, sale or distribution and any receptacles, packages or coverings in which such drug is contained and the animals, vehicles, vessels or other conveyances used in carrying such drug shall also be liable to confiscation";

- (b) in sub-section (2), for the words "or is a misbranded drug", the words "or is a misbranded or adulterated drug" shall be substituted.

22. *Insertion of new section 31A.*—After section 31 of the principal Act, the following section shall be inserted, namely:—

"31A. *Application of provisions to Government departments.*—The provisions of this Chapter except those contained in section 31 shall apply in relation to the manufacture, sale or distribution

of drugs by any department of Government as they apply in relation to the manufacture, sale or distribution of drugs by any other person."

23. *Insertion of new section 32A.*—After section 32 of the principal Act, the following section shall be inserted, namely:—

"32A. *Power of Court to implead the manufacturer, etc.*—Where, at any time during the trial of any offence under this Chapter alleged to have been committed by any person, not being the manufacturer of a drug or cosmetic or his agent for the distribution thereof, the Court is satisfied, on the evidence adduced before it, that such manufacturer or agent is also concerned in that offence, then, the Court may, notwithstanding anything contained in sub-section (1) of section 351 of the Code of Criminal Procedure, 1898 (5 of 1898), proceed against him as though a prosecution had been instituted against him under section 32."

24. *Amendment of section 33.*—In section 33 of the principal Act,—

- (i) in sub-section (2),—  
(a) after clause (d), the following clause shall be inserted, namely:—

"(dd) prescribe under clause (d) of section 17B the colour or colours which a drug may bear or contain for purposes of colouring";

- (b) clause (m) shall be omitted;

- (c) for clause (p), the following clause shall be substituted, namely:—

"(p) specify the offences against this Chapter or any rule made thereunder in relation to which an order of confiscation may be made under section 31; and"

- (ii) sub-section (3) shall be omitted.

25. *Insertion of new section 33A.*—In Chapter IV of the principal Act, after section 33, the following section shall be inserted, namely:—

"33A. *Chapter not to apply to Ayurvedic (including Siddha) or Unani drugs.*—Save as otherwise provided in this Act, nothing contained in this Chapter shall apply to Ayurvedic (including Siddha) or Unani drugs."

26. *Insertion of new Chapter IVA.*—After Chapter IV of the principal Act, the following Chapter shall be inserted, namely:—

#### CHAPTER IVA

#### PROVISIONS RELATING TO AYURVEDIC (INCLUDING SIDDHA) AND UNANI DRUGS

33B. *Application of Chapter IVA.*—This Chapter shall apply only to Ayurvedic (including Siddha) and Unani drugs.

33C. *Ayurvedic and Unani Drugs Technical Advisory Board.*—The Central Government shall, by notification in the Official Gazette and with effect from such date as may be specified therein, constitute a Board (to be called the Ayurvedic and Unani Drugs Technical Advisory Board) to advise the Central Government and the State Governments on technical matters arising out of this Chapter and to carry out the other functions assigned to it by this Chapter.

- (2) The Board shall consist of the following members, namely:—

- (i) the Director General of Health Service, *ex officio*;  
(ii) the Drugs Controller, India, *ex officio*;  
(iii) the Adviser in indigenous systems of medicine, Ministry of Health, *ex officio*;  
(iv) the Director of the Central Drugs Laboratory, Calcutta, *ex officio*;  
(v) one person holding the appointment of Government Analyst under section 33F, to be nominated by the Central Government;  
(vi) one Pharmacognocist to be nominated by the Central Government;  
(vii) one Phyto-chemist to be nominated by the Central Government;  
(viii) two persons to be nominated by the Central Government from among members of the Central Council of Ayurvedic Research;  
(ix) one teacher in Dravyaguna and Bhaishajya Kalpana, to be nominated by the Central Government;  
(x) one teacher in IL-MUL-ADVIA and TAKLIS-WA-DAWA-SAZI, to be nominated by the Central Government;  
(xi) two persons, one each to represent the Ayurvedic (including Siddha) and Unani drug industry, to be nominated by the Central Government;  
(xii) two persons, one each from among the practitioners of Ayurvedic (including Siddha) and Unani systems of medicine, to be nominated by the Central Government.

(3) The Central Government shall appoint a member of the Board as its Chairman.

(4) The nominated members of the Board shall hold office for three years but shall be eligible for re-nomination.

(5) The Board may, subject to the previous approval of the Central Government, make bye-laws fixing a quorum and regulating its own procedure and conduct of all business to be transacted by it.

(6) The functions of the Board may be exercised notwithstanding any vacancy therein.



(7) The Central Government shall appoint a person to be Secretary of the Board and shall provide the Board with such clerical and other staff as the Central Government considers necessary.

**33D. Prohibition of manufacture for sale of Ayurvedic (including Siddha) and Unani drugs.**—From such date as may be fixed by the State Government by notification in the Official Gazette in this behalf no person shall himself or by any other person on his behalf, manufacture for sale any Ayurvedic (including Siddha) or Unani, drug—

- (a) except under prescribed hygienic conditions;
- (b) except under the supervision of a person having the prescribed qualifications;
- (c) except under and in accordance with the conditions of a licence issued for such purpose under this Chapter;
- (d) unless the raw materials used in the preparation of such drugs are genuine and are properly identified;
- (e) unless such drug is labelled with the true list of all the ingredients contained in it and with such other particulars as may be prescribed; and
- (f) in contravention of any of the provisions of this Chapter or any rule made thereunder:

Provided that nothing in this section shall apply to Vaidyas and Hakims who manufacture such drugs for the use of their own patients:

Provided further that nothing in clauses (a), (b) and (c) shall apply to the manufacture, subject to prescribed conditions, of small quantities of any such drug for the purpose of examination, test or analysis.

**33E. Restriction on sale, etc., of Ayurvedic (including Siddha) and Unani drugs.**—From such date as may be fixed by the State Government by notification in the Official Gazette in this behalf, no person shall himself or by any other person on his behalf, sell, or stock or exhibit for sale, or distribute, any Ayurvedic (including Siddha) or Unani drug other than that manufactured by a manufacturer licensed under this Chapter.

**33F. Government Analysts.**—(1) The Central Government or a State Government may, by notification in the Official Gazette, appoint such persons as it thinks fit, having the prescribed qualifications, to be Government Analysts for such areas as may be assigned to them by the Central Government or the State Government, as the case may be.

(2) Notwithstanding anything contained in sub-section (1), neither the Central Government nor a State Government shall appoint as a Government Analyst any official not serving under it without the previous consent of the Government under which he is serving.

**33G. Inspectors.**—(1) The Central Government or a State Government may, by notification in the Official Gazette, appoint such persons as it thinks fit, having the prescribed qualifications, to be Inspectors for such areas as may be assigned to them by the Central Government or the State Government, as the case may be.

(2) The powers which may be exercised by an Inspector and the duties which may be performed by him and the conditions, limitations or restrictions subject to which such powers and duties may be exercised or performed shall be such as may be prescribed.

(3) No person who has any financial interest in the manufacture or sale of any drug shall be appointed to be an Inspector under this section.

(4) Every Inspector shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code (45 of 1860), and shall be officially subordinate to such authority as the Government appointing him may specify in this behalf.

**33H. Application of provisions of sections 22, 23, 24 and 25.**—The provisions of sections 22, 23, 24 and 25 and the rules, if any, made thereunder shall, so far as may be, apply in relation to an Inspector and a Government analyst appointed under this Chapter as they apply in relation to an Inspector and a Government analyst appointed under Chapter IV, subject to the modification that the references to "drug" in the said sections, shall be construed as references to "Ayurvedic (including Siddha) or Unani drug".

**33I. Penalty for manufacture, sale, etc., of Ayurvedic (including Siddha) and Unani drugs in contravention of this Chapter.**—Whoever contravenes the provisions of section 33D or section 33E or section 24 as applied by section 33H or any rule made under this Chapter shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to five hundred rupees, or with both.

**33J. Penalty for subsequent offences.**—Whoever, having been convicted of an offence under section 33D or section 33E is again convicted of an offence under the said section shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

**33K. Confiscation.**—Where any person has been convicted under this Chapter, the stock of the Ayurvedic (including Siddha) or Unani drug, in respect of which the contravention has been made, shall be liable to confiscation.

**33L. Application of provisions to Government departments.**—The provisions of this Chapter except those contained in section 33K shall apply in relation to the manufacture for sale, sale, or distribution of any Ayurvedic (including Siddha) or Unani drug by any department of Government as they apply in relation to the manufacture for sale, sale, or distribution of such drug by any other person.

**33M. Cognizance of offences.**—(1) No prosecution under this Chapter shall be instituted except by an Inspector.

(2) No Court inferior to that of a Presidency Magistrate or of a Magistrate of the first class shall try an offence punishable under this Chapter.

**33N. Power of Central Government to make rules.**—(1) The Central Government may, after consultation with the Board and after previous publication by notification in the Official Gazette, make rules for the purpose of giving effect to the provisions of this Chapter:

Provided that consultation with the Board may be dispensed with if the Central Government is of opinion that circumstances have arisen which render it necessary to make rules without such consultation, but in such a case, the Board shall be consulted within six months of the making of the rules and the Central Government shall take into consideration any suggestions which the Board may make in relation to the amendment of the said rules.

(2) Without prejudice to the generality of the foregoing power, such rules may:—

- (a) provide for the establishment of laboratories for testing and analysing Ayurvedic (including Siddha) or Unani drugs;
- (b) prescribe the qualifications and duties of Government Analysts and the qualifications of Inspectors;
- (c) prescribe the methods of test or analysis to be employed in determining whether any Ayurvedic (including Siddha) or Unani drug is labelled with the true list of the ingredients which it is purported to contain;
- (d) specify any substance as a poisonous substance;
- (e) prescribe the forms of licences for the manufacture for sale of Ayurvedic (including Siddha) or Unani drugs, the form of application for such licences, the conditions subject to which such licences may be issued, the authority empowered to issue the same and the fees payable therefor;
- (f) regulate the mode of labelling packed Ayurvedic (including Siddha) or Unani drugs and prescribe the matters which shall or shall not be included in such labels;
- (g) prescribe the conditions subject to which small quantities of Ayurvedic (including Siddha) or Unani drugs may be manufactured for the purpose of examination, test or analysis; and
- (h) any other matter which is to be or may be prescribed under this Chapter.

**33O. Power to amend First Schedule.**—The Central Government, after consultation with the Board and after giving, by notification in the Official Gazette, not less than three months' notice of its intention so to do, may, by a like notification, add to or otherwise amend the First Schedule for the purposes of this Chapter and thereupon the said Schedule shall be deemed to be amended accordingly.

**27. Amendment of section 33A.**—Section 33A of the principal Act shall be re-numbered as section 33P.

**28. Insertion of new section 34A.**—After section 34 of the principal Act, the following section shall be inserted, namely:—

**"34A. Offences by Government Departments.**—Where an offence under Chapter IV or Chapter IVA has been committed by any department of Government, such authority as is specified by the Central Government to be in charge of manufacture, sale or distribution of drugs or where no authority is specified, the head of the department, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this section shall render any such authority or person liable to any punishment provided in Chapter IV or Chapter IVA, as the case may be, if such authority or person proves that the offence was committed without its or his knowledge or that such authority or person exercised all due diligence to prevent the commission of such offence."

**29. Amendment of section 36.**—In section 36 of the principal Act, the words and figures "section 32 of" shall be omitted.

**30. Insertion of new section 38.**—After section 37 of the principal Act, the following section shall be inserted, namely:—

**"38. Rules to be laid before Parliament.**—Every rule made under this Act shall be laid as soon as may be after it is made before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if before the expiry of the session in which it is so laid or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule."

**31. Substitution of Schedule.**—For the Schedule to the principal Act, the following Schedules shall be substituted, namely:—

## THE FIRST SCHEDULE

(See section 3 (a))

## A.—AYURVEDIC (INCLUDING SIDDHA) SYSTEM

Serial No.	Name of book
<i>Ayurveda</i>	
1.	Arogya Kalpadruma
2.	Arka Prakasha
3.	Arya Bhishak
4.	Ashtanga Hridaya
5.	Ashtanga Samgraha
6.	Ayurveda Kalpadruma
7.	Ayurveda Prakasha
8.	Ayurveda Samgraha
9.	Bhaishajya Ratnavali
10.	Bharat Bhaishajya Ratanakara
11.	Bhava Prakasha
12.	Brihat Nighantu Ratnakara
13.	Charaka Samhita
14.	Chakra Datta
15.	Gada Nigraha
16.	Kupi Pukva Rasayana
17.	Nighantu Ratnakara
18.	Rasa Chandanshu
19.	Rasa Raja Sundara
20.	Rasaratna Samuchaya
21.	Rasatantra Sara Siddha Prayoga Samgraha
22.	Rasa Tarangini
23.	Rasa Yoga Sagara
24.	Rasa Yoga Ratnakara
25.	Rasa Yoga Samgraha
26.	Rasendra Sara Samgraha
27.	Rasa Pradipika
28.	Sahasrayoga
29.	Sarvaroga Chikitsa Ratnam
30.	Sarvayoga Chikitsa Ratnam
31.	Sharangadhara Samhita
32.	Siddha Bhaishajya Manimalla
33.	Siddha Yoga Samgraha
34.	Sushruta Samhita
35.	Vaidya Chintamani
36.	Vaidyaka Shabda Sindu
37.	Vaidyaka Chikitsa Sara
38.	Vaidya Jiwan
39.	Besava Rajeevam
40.	Yoga Ratnakara
41.	Yoga Tarangini
42.	Yoga Chintamani
43.	Kashyapasamhita
44.	Bhelasamhita
45.	Vishwanathachikitsa
46.	Vrindachikitsa
47.	Ayurvedachintamani
48.	Abhinavachintamani
49.	Ayurveda-ratnakar
50.	Yogaratanasangraha
51.	Rasamrita
52.	Dravyagunanihantu
53.	Rasamanjari
54.	Bangasena
<i>Siddha</i>	
55.	Siddha Vaidya Thirattu
56.	Therayar Maha Karisal
57.	Brahma Muni Karukkada (300)
58.	Bhogar (700)
59.	Pulippani (500)
60.	Agasthiyar Paripuranam (400)
61.	Therayar Yamagam
62.	Agasthiyar Chenduram (300)
63.	Agasthiyar (1500)
64.	Athamarakshamrutham
65.	Agasthiyar Pin (80)
66.	Agasthiyar Rathna Churukkam
67.	Therayar Karisal (300)
68.	Veeramamuni Nasa Kandan
69.	Agasthiyar (600)
70.	Agasthiyar Kanma Soothiram
71.	18 Siddar's Chillarai Kovai
72.	Yogi Vatha Kaviyam
73.	Therayar Tharu
74.	Agasthiyar Vaidya Kaviyam (1500)
75.	Bala Vagadam
76.	Chimittu Rathna (Rathna) Churukkam
77.	Nagamuni (200)
78.	Agasthiyar Chillarai Kovai
79.	Chikicha Rathna Deepam
80.	Agasthiyar Nayana Vidhi
81.	Yugi Karisal (151)
82.	Agasthiyar Vallathi (600)
83.	Therayar Thaila Varkam

## B.—UNANI (TIQB) SYSTEM

Serial No.	Name of book
1.	Karabadin Qadri
2.	Karabadin Kabir
3.	Karabadin Azam
4.	Ilaj-ul-Amraz
5.	Al Karabadin
6.	Biaz Kabir Vol. II
7.	Karabadin Jadid
8.	Kitab-ul-Taklis
9.	Sanat-ul-Taklis
10.	Mifta-ul-Khazain
11.	Madan-ul-Aksir
12.	Makhzan-ul-murabhat

## THE SECOND SCHEDULE

(See sections 8 and 16)

STANDARDS TO BE COMPLIED WITH BY IMPORTED DRUGS AND BY DRUGS MANUFACTURED FOR SALE, SOLD, STOCKED OR EXHIBITED FOR SALE OR DISTRIBUTED.

Class of drug	Standard to be complied with
1. Patent or proprietary medicines.	The formula or list of ingredients displayed in the prescribed manner on the label or container and such other standards as may be prescribed.
2. Substances commonly known as vaccines, sera, toxine, toxoids, antitoxins, and antigens and biological products of such nature.	The standards maintained at the International Laboratory for Biological Standards, Statens Seruminstitut, Copenhagen and such further standards of strength, quality and purity as may be prescribed.
3. Vitamins, hormones and analogous products.	The standards maintained at the International Laboratory for Biological Standards, National Institute for Medical Research, London, and such further standards of strength, quality and purity as may be prescribed.
4. Substances (other than food) intended to affect the structure or any function of the human body or intended to be used for the destruction of vermin or insects which cause disease in human beings or animals.	Such standards as may be prescribed.
5. Other drugs:	
(a) Drugs included in the Indian Pharmacopoeia.	Standards of identity, purity and strength specified in the edition of the Indian Pharmacopoeia for the time being and such other standards as may be prescribed.
(b) Drugs not included in the Indian Pharmacopoeia but which are included in any pharmacopoeia of any other country.	Standards of identity, purity and strength specified for the drugs in the edition of such pharmacopoeia for the time being and such other standards as may be prescribed."

32. *Transitory provision.*—Until the constitution of the Drugs Technical Advisory Board under section 5 of the principal Act as amended by this Act, the Drugs Technical Advisory Board constituted under section 5 of the principal Act and functioning immediately before the commencement of this Act shall be deemed to be the Drugs Technical Advisory Board constituted under section 5 of the principal Act as amended by this Act and shall continue to function as if this Act had not been passed.

Assented to on 12-5-64.

# THE EAST PUNJAB AYURVEDIC AND UNANI PRACTITIONERS (DELHI AMENDMENT) ACT, 1964

(ACT No. 15 of 1964)

AN

ACT

further to amend the East Punjab Ayurvedic and Unani Practitioners Act, 1949 as in force in the Union territory of Delhi.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called

the East Punjab Ayurvedic and Unani Practitioners (Delhi Amendment) Act, 1964.

(2) It shall come into force on such date as the Chief Commissioner may, by notification in the Official Gazette, appoint.

**2. Amendment of references to State.**—Throughout the East Punjab Ayurvedic and Unani Practitioners Act, 1949 (East Punjab Act 14 of 1949), as in force in the Union territory of Delhi (hereinafter referred to as the principal Act), for the word "State", the words "Union territory" shall be substituted.

**3. Amendment of section 2.**—In section 2 of the principal Act, after clause (3), the following clauses shall be inserted, namely:—

- (3a) "Chairman" means the Chairman of the Examining Body;
- (3b) "Chief Commissioner" means the administrator of the Union territory of Delhi, appointed by the President under article 239 of the Constitution;
- (3c) "Examining Body" means the Examining Body constituted under section 31A;.

**4. Amendment of section 3.**—In sub-section (1) of section 3 of the principal Act, for the words "carrying out the provisions of this Act", the words "carrying out the functions conferred on the Board by or under the provisions of this Act" shall be substituted.

**5. Amendment of section 21.**—In section 21 of the principal Act,—  
(a) for sub-section (1), the following sub-section shall be substituted, namely:—

"(1) The Board shall, by regulations, recognise institutions as required under item (3) of the Schedule.";

(b) in sub-section (2), for the words "by any of the institutions", the words "by the Examining Body or by any of the institutions" shall be substituted.

**6. Amendment of section 29.**—In sub-section (2) of section 29 of the principal Act, after clause (k), the following clauses shall be inserted, namely:—

- (l) the term of office of the members of the Examining Body under sub-section (5) of section 31A;
- (m) the fees and other allowances payable to members of the Examining Body for attending meetings under sub-section (8) of section 31A."

**7. Amendment of section 30.**—In section 30 of the principal Act,—

- (i) in sub-section (1), clauses (c), (d), (e), (f) and (g) shall be omitted;
- (ii) after sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) The Examining Body may, with the previous sanction of the Chief Commissioner, make regulations for—

- (a) the time and place at which the Examining Body shall hold its meetings;
- (b) the courses of study for training and qualifying examinations including the course of training and examinations prior to qualifying examinations;
- (c) the language in which the examinations shall be conducted and instruction shall be imparted;
- (d) the admission of students to the bodies or institutions authorised under section 21;
- (e) the conditions under which students shall be admitted to the diploma, licence or certificate course and to the qualifying and prior examinations;
- (f) the conditions of appointment of examiners and the conduct of examinations;
- (g) any other matter which is required to be, or may be, prescribed by regulations."
- (iii) in the first proviso to sub-section (3), for the words, brackets and letters "clauses (c) to (g)", the word, brackets, figure and letter "sub-section (1A)" shall be substituted and for the word "Board", the words "Examining Body" shall be substituted.

**8. Insertion of new section 31A.**—After section 31 of the principal Act, the following section shall be inserted, namely:—

"31A. **Constitution and functions of the Examining Body.**—(1) The Chief Commissioner may, by notification in the Official Gazette, constitute an Examining Body, to be known as 'The Examining Body for Ayurvedic and Unani Systems of Medicine, Delhi', for the purpose of holding qualifying examinations and examinations prior to qualifying examinations and prescribing the courses of study and training for such examinations and other related matters.

(2) The Examining Body shall be a body corporate with the name aforesaid, having perpetual succession and a common seal, with power to acquire, hold and dispose of property and to contract, and shall by the said name sue and be sued.

(3) The Examining Body shall consist of the following seven members, to be nominated by the Chief Commissioner, namely:—

- (a) one member to represent the Ministry of the Central Government dealing with Health;

(b) one member to represent the Medical and Health Department of the Administration of Delhi;

(c) one member who shall be a Professor of Modern Medicine or of Ayurvedic or Unani System of Medicine as the Chief Commissioner may determine;

(d) one member who shall be a Professor of Ayurvedic system of Medicine;

(e) one member who shall be a Professor of Unani System of Medicine;

(f) a practitioner of repute of the Ayurvedic System of Medicine;

(g) a practitioner of repute of the Unani System of Medicine; and the Chief Commissioner shall nominate one of the members to be the Chairman of the Examining Body.

(4) The provisions of sections 11, 12 and 13 shall apply to the Examining Body as they apply in relation to the Board, subject to the modifications that references to the President therein shall be construed as references to the Chairman and the reference to five members in sub-section (3) of section 13 shall be construed as a reference to three members.

(5) A member of the Examining body shall hold office for such period as may be prescribed by rules by the Chief Commissioner:

Provided that the Chief Commissioner may, for reasons to be recording writing, remove any member before the expiry of such term:

Provided further that no order for such removal shall be made unless the member concerned has been given a reasonable opportunity to show cause against such removal.

(6) A casual vacancy in the office of a member of the Examining Body shall be filled by fresh nomination and the member nominated to fill a casual vacancy shall hold office only so long as the member in whose place he is nominated would have held office if the vacancy had not occurred.

(7) Any member of the Examining Body may, at any time, resign his office by letter addressed to the Chief Commissioner and the resignation shall take effect from the date on which it is accepted by the Chief Commissioner.

(8) There shall be paid to the members of the Examining Body such fees and allowances for attending meetings as may be prescribed by rules by the Chief Commissioner.

(9) The Examining Body shall, with the previous approval of the Chief Commissioner, appoint a secretary and such member of other employees as it may deem necessary and they shall receive such salary and allowances and be subject to such conditions of service as the Examining Body may, with the previous approval of the Chief Commissioner, prescribe by regulations.

(10) The secretary and other employees of the Examining Body shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code (45 of 1860).

(11) In the performance of its functions under this Act, the Examining Body shall be bound by such directions as the Chief Commissioner may give to it in writing from time to time."

**9. Amendment of the Schedule.**—In the Schedule to the principal Act, in item (2), for the word "Board", in the first place where it occurs, the words "Examining Body" shall be substituted.

Assented to on 12-5-64.

THE DAKSHINA BHARAT HINDI PRACHAR SABHA  
ACT, 1964  
ACT NO. 14 OF 1954  
AN  
ACT

to declare the institution known as the Dakshina Bharat Hindi Prachar Sabha, having at present its registered office at Madras, to be an institution of national importance and to provide for certain matters connected therewith.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:

**1. Short title and commencement.**—(1) This Act may be called the Dakshina Bharat Hindi Prachar Sabha Act, 1964.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

**2. Definitions.**—In this Act, unless the context otherwise requires,—

(a) "memorandum" means the memorandum of association of the Sabha filed with the Registrar of Joint Stock Companies, Madras, under the Societies Registration Act, 1860 (21 of 1860)

(b) "rules and regulations" includes any rule or regulation, by whatever name called, which the Sabha is competent to make in the exercise of the powers conferred on it under the Societies Registration Act, 1860, but shall not include any bye-laws or standing orders made under the rules and regulations for the conduct of its work;

(c) "Sabha" means the *Dakshina Bharat Hindi Prachar Sabha* registered under the Societies Registration Act, 1860.

3. *Declaration of the Dakshina Bharat Hindi Prachar Sabha as an institution of national importance.*—Whereas the objects of the institution known as the *Dakshina Bharat Hindi Prachar Sabha* are such as to make it an institution of national importance, it is hereby declared that the *Dakshina Bharat Hindi Prachar Sabha* is an institution of national importance.

4. *Grant of degrees, diplomas and certificates by the Sabha.*—Notwithstanding anything contained in the University Grants Commission Act, 1956 (3 of 1956), or in any other law for the time being in force, the *Sabha* may hold such examinations and grant such degrees, diplomas and certificates for proficiency in Hindi or in the teaching of Hindi as may be determined by the *Sabha* from time to time.

5. *Accounts and audit.*—(1) The *Sabha* shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the balance-sheet in such form as may be prescribed by the Central Government.

(2) The accounts of the *Sabha* shall, once at least in every year, be audited by a chartered accountant in practice within the meaning of the Chartered Accountants Act, 1949 (38 of 1949), to be appointed annually by the *Sabha*:

Provided that no member of the *Sabha* who is a chartered accountant or a person who is in partnership with such member, shall be eligible for appointment as an auditor under this section.

(3) Every auditor shall, in the performance of his duties, have at all reasonable times access to the registers, books of account, records and other documents of the *Sabha* or of any committee, council, board or branch of the *Sabha*.

(4) As soon as may be practicable at the end of each year, the auditors shall submit their report to the *Sabha* and shall also forward a copy thereof to the Central Government for its information.

6. *Prior approval of the Central Government necessary for certain action by the Sabha.*—Notwithstanding anything contained in the Societies Registration Act, 1860 (21 of 1860), or in the memorandum or rules and regulations, the *Sabha* shall not, except with the previous approval of the Central Government,—

(a) alter, extend or abridge any of the purposes for which it has been established or for which it is being used immediately before the commencement of this Act, or amalgamate itself, either wholly or partially, with any other institution or society; or

(b) alter or amend in any manner the memorandum or rules and regulations; or

(c) be dissolved.

7. *Review of work done, etc.*—(1) The Central Government may constitute, after consultation with the *Sabha*, one or more committees consisting of such number of persons as it thinks fit to appoint thereto for all or any of the following purposes, namely:—

(a) reviewing the work done by the *Sabha* during any specified period and the progress made by it; and

(b) evaluating the work done by the *Sabha*.

(2) The *Sabha* shall afford all necessary facilities to any committee constituted under sub-section (1) for the purpose of enabling it to carry out its duty.

(3) The report of any committee constituted under sub-section (1) shall be submitted to the Central Government within such time and in such manner as that Government may direct.

(4) The *Sabha* shall be entitled to appoint a representative who shall have the right to be present and to be heard at such review or evaluation.

(5) The Central Government may address the President of the *Sabha* with reference to the result of such review or evaluation as disclosed in the report of any committee constituted under sub-section (1), and the President of the *Sabha* shall communicate to the Central Government the action, if any, taken thereon.

(6) When the Central Government has, in pursuance of sub-section (5), addressed the President of the *Sabha* in connection with any matter and the President of the *Sabha* does not within a reasonable time take action to the satisfaction of the Central Government in respect thereof, the Central Government may, after allowing the *Sabha* an opportunity of furnishing explanations or making representations, issue such directions as that Government considers necessary in respect of any of the matters dealt with in the report and the *Sabha* shall, notwithstanding anything contained in any law for the time being in force or in the memorandum or rules and regulations of the *Sabha*, comply with such directions.

(7) The members of any committee constituted under sub-section (1) shall be paid such allowances as the Central Government may, by order, fix and such allowances together with the expenses incurred, with the previous approval of the Central Government, by any such committee in the performance of its functions (including any salary, remunerations or allowances, if any, payable to any person employed by any such committee), shall, notwithstanding anything contained in any law for the time being in force or in the memorandum or rules and regulations of the *Sabha*, be paid out of the funds of the *Sabha*.

## PART I

### GENERAL ADMINISTRATION—A

#### NOTIFICATION

*Simla-2, the 22nd February, 1971*

No. 16-20/70-GAD-I.—The ensuing General Elections to the Lok Sabha in Himachal Pradesh are to take place on the 2nd and 5th March, 1971 respectively. In order to make it convenient for every voter to exercise his right of franchise during the ensuing elections, the Governor, Himachal Pradesh, is pleased to declare the day or days on which a particular area will go to poll, which shall either or both of the dates, as local holiday(s) for that area in Himachal Pradesh.

2. This will also be a paid holiday(s) in Industrial establishments and to daily-rated employees and holiday(s) under section 25 of the Negotiable Instruments Act, 1881.

K. N. CHANNA,  
Chief Secretary.

### MULTI-PURPOSE PROJECTS AND POWER DEPARTMENT CORRIGENDUM

*Simla-2, the 17th February, 1971*

No. 6-161/70-MPP(Sectt).—In partil modification of this Government notification No. MPP. 8-9/67-27720,

dated the 18th July, 1967, the Governor, Himachal Pradesh, is pleased to withdraw the Tariff Demand Charge of Rs. 0.50/BHP/month in respect of the Agricultural/Irrigation Power Supply appearing at Schedule H of Part II—Schedule of Tariff, with immediate effect.

By order,  
U. N. SHARMA,  
Secretary.

### GOVERNMENT OF HIMACHAL PRADESH NOTIFICATION

*Simla-2, the 20th February, 1971*

No. 17-28/70-Home.—In exercise of the powers vested in him under section 4(P) of the Code of Criminal Procedure, the Governor, Himachal Pradesh is pleased to authorise all officers of and above the rank of Assistant Sub-Inspectors attached to the Police Stations with the powers of Station House Officer under sections 127 and 128 of the Code of Criminal Procedure and section 30A of the Indian Police Act of 1861.

By order,  
K. N. CHANNA,  
Chief Secretary.